

LEGISLATIVE SUMMARY 1999

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CO-SPONSORED LEGISLATION

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ADMINISTRATION

AB 319 Thomson (Chapter 847)
ADVANCES TO LOCAL HEALTH DEPARTMENTS

AB 319, sponsored by the County Health Executives Association of California and the State Association of County Auditors, requires the Department of Health Services to advance to the local health departments within 60 days of the enactment of the Budget Act, 25 percent of the annual General Fund allocations needed for the delivery of various services related to the California Children's Services program, the Child Health and Disability Prevention program, and the Human Immunodeficiency Virus education and prevention services.

AB 883 Hertzberg (Chapter 625)
STATE PROPERTY: EAST END CAPITOL PROJECT

AB 883, sponsored by the author, requires the Department of General Services to provide the Legislature with a regular report on the status of the East End Capitol Project, which the Department of Health Services is slated to occupy upon completion.

AUDITS AND INVESTIGATIONS

AB 784 Romero (Chapter 993)
MEDI-CAL PROVIDER ANTI-FRAUD PROVISIONS

AB 784, sponsored by the State Controller's Office, requires certain Medi-Cal providers to acquire surety bonds of not less than \$25,000; suppliers of pharmaceuticals or medical equipment and supplies to maintain accounting records for three years to support the cost of goods and services provided to certain Medi-Cal providers; and Medi-Cal providers to be subject to certain penalties and interest on reimbursements received under the Medi-Cal program to which the provider is not entitled. In addition, the bill requires the Department of Health Services to pay certain providers interest on underpayments.

HEALTH INFORMATION AND STRATEGIC PLANNING

County Health Services and Local Public Health Assistance

- SB 429 Monteith (Chapter 741)
**ALLOCATION OF COUNTY HOSPITAL SERVICES ACCOUNT
FUNDING IN STANISLAUS AND SAN LUIS OBISPO COUNTIES**

SB 429, sponsored by the Stanislaus County Board of Supervisors, freezes the county hospital allocations of Stanislaus and San Luis Obispo Counties at the dollar amount of the fiscal year prior to the closure of the hospital, adjusted annually based upon funding available from Proposition 99.

- SB 819 Sher (Chapter 151)
EL CAMINO HOSPITAL DISTRICT TRANSFER OF ASSETS

SB 819, sponsored by El Camino Hospital District, requires El Camino Hospital to comply with the provisions of existing law that apply to Local Health Care Districts regarding the transfer of assets. SB 819 therefore requires public meetings before district assets may be transferred to a corporation and requires voter approval before a proposed transfer of ownership interest.

INFORMATION TECHNOLOGY SERVICES

- AB 187 Hertzberg (Chapter 405)
INTERNET LISTING OF GRANTS

AB 187, sponsored by the author, requires each state agency to provide on its Internet website a listing of all grants it administers, a detailed summary of each, and copies of the application forms and complete filing instructions, either electronically or by mail. This bill will become effective July 1, 2001, unless otherwise directed by the Department of Information Technology.

- AB 724 Dutra (Chapter 784)
Y2K GOOD GOVERNMENT PLAN

AB 724, sponsored by the author, declares that the Year 2000 problem is the top priority information technology project for the State. AB 724 provides new law to assist in the response to problems related to the Year

Information Technology Services (continued)

2000 problem. The intent is to decrease the risk of threat to the welfare of the residents, businesses, and state agencies, including the risk of failures to systems that may disrupt the State's ability to conduct and deliver normal state services.

AB 1234 Shelley (Chapter 393) MEETING NOTICES ON THE INTERNET

AB 1234, sponsored by the California Newspaper Publishers Association, requires notice of a regular meeting of a state body to be made available on the Internet. In addition, the bill requires the written notice to include the address of the Internet site where required notices are to be made available.

LICENSING AND CERTIFICATION

AB 26 Migden, Kuehl and Villaraigosa (Chapter 588) DOMESTIC PARTNERSHIPS

AB 26, sponsored by the California Alliance for Pride and Equality, defines a domestic partnership and specifies procedures for the termination of domestic partnerships. AB 26 requires a health facility to allow a patient's domestic partner and other specified persons to visit a patient, except under specified conditions. The bill also authorizes the State Public Employees Retirement System and local employers to offer health care coverage and other benefits to domestic partners.

AB 271 Gallegos (Chapter 944) COSMETIC AND OUTPATIENT SURGERY-PATIENT PROTECTION ACT

AB 271, sponsored by the Medical Board of California, creates the Cosmetic and Outpatient Surgery Patient Protection Act. AB 271 defines instances of unprofessional conduct for physicians and surgeons who perform cosmetic and outpatient surgery. AB 271 also specifies additional requirements for outpatient settings including the posting of the certificate of accreditation, written discharge criteria and staffing requirements. Accredited outpatient settings and oversight for physicians and surgeons are under the jurisdiction of the Department of Consumer Affairs.

Licensing and Certification (continued)

AB 394 Kuehl (Chapter 945)
HOSPITAL NURSE STAFFING

AB 394, sponsored by the California Nurses Association, requires the Department of Health Services by January 1, 2001, to adopt regulations establishing minimum, specific and numerical licensed nurse-to-patient ratios by licensed nurse classification and hospital unit. It also limits the nurse-related duties performed by unlicensed personnel.

AB 526 Zettel (Chapter 383)
ELDER AND DEPENDENT ADULT ABUSE: HEARSAY EXCEPTIONS

AB 526, sponsored by the San Diego District Attorney, allows statements by victims of alleged elder and dependent adult abuse to be used in criminal proceedings charging abuse or neglect, in the event the victims cannot appear in court. AB 526 specifies that the party offering the statement shows particularized guarantees of its trustworthiness.

AB 655 Scott (Chapter 954)
PUBLIC POST-SECONDARY NURSING REPORT

AB 655, sponsored by the author, requires a workgroup that includes a representative of the Department of Health Services to develop a plan and budget to significantly increase the number of students graduating from nursing programs in California. The work group also is to identify plans to provide specialty training to registered nurses in areas such as emergency, obstetrics, pediatrics, neonatal intensive care, and operating room nursing. The report and recommendations will be presented to the Governor by April 1, 2000.

AB 656 Scott (Chapter 719)
CERTIFIED NURSE ASSISTANTS TRAINING PROGRAM

AB 656, sponsored by the California Association of Health Facilities and the California Association of Homes and Services for the Aging, requires the Department of Health Services (Department) to convene a work group focused on certified nurse assistants. The workgroup is to develop recommendations regarding methods to expand the availability of training programs for certified nurse assistants and to improve the availability of certified nurse assistants for hire in California. AB 656 requires the workgroup to submit its report to the Department by July 1, 2001.

Licensing and Certification (continued)

AB 739 Pescetti (Chapter 236)
ELDER AND DEPENDENT ADULT ABUSE REPORTING

AB 739, sponsored by the California Victims of Crime Committee, limits the exemption from the mandatory reporting of elder and dependent adult abuse to mandated reporters who are physicians and surgeons, registered nurses, or psychotherapists. This exemption applies when these mandated reporters exercise clinical judgement that abuse did not occur, when the alleged victim has been diagnosed with a mental illness or dementia, or is the subject of a court-ordered conservatorship as a result of this diagnosis.

AB 791 Thomson (Chapter 403)
PAIN MANAGEMENT

AB 791, sponsored by Americans for Death with Dignity, adds pain management and end-of-life care to medical school curriculum requirements. Additionally, AB 791 requires health facilities to include pain as a fifth vital sign, to be assessed at the same time as other vital signs.

AB 891 Alquist (Chapter 658)
HEALTH CARE DECISIONS

AB 891, sponsored by the California Law Revision Commission, consolidates existing statutory advance directives into one process for indicating wishes about care when a person can no longer make his or her own health care decisions. AB 891 also provides a process for individuals without a health care directive to appoint a health care surrogate.

AB 893 Alquist (Chapter 430)
CONSUMER INFORMATION ON LONG-TERM HEALTH CARE FACILITIES

AB 893, sponsored by the author, requires the Department of Health Services to make specified long-term health care facility information available to consumers through the Internet. AB 893 appropriates monies from the General Fund for implementation of these requirements by July 1, 2002.

Licensing and Certification (continued)

AB 1202 Firebaugh (Chapter 979)
HEMODIALYSIS TECHNICIAN TRAINING

AB 1202, sponsored by the California Dialysis Council, requires the Department of Health Services to develop and implement rules and regulations prescribing minimum training and testing standards for certified hemodialysis technicians by July 1, 2001.

AB 1433 Granlund (Chapter 411)
CERTIFIED NURSE ASSISTANTS

AB 1433, sponsored by the California Nurses Association and the American Nurses Association/California, updates terminology in the Business and Professions Code to reflect the current use of the term “certified nurse assistant” rather than “aide.” AB 1433 also requires that health care providers develop policies regarding employee identification.

AB 1492 Thomson and Aroner (Chapter 1023)
TRAUMATIC BRAIN INJURY PROJECT

AB 1492, sponsored by the California Rehabilitation Association and the Brain Injury Association of California, modifies and extends to 2005 the Department of Mental Health demonstration project for post-acute continuum of care for adults 18 years of age or older with acquired traumatic brain injuries. Such injured persons may reside in a variety of settings, including nursing facilities. The Department of Health Services will participate in a work group established by the legislation.

AB 1499 Lowenthal (Chapter 414)
TRAINING IN ELDER AND DEPENDENT ADULT ABUSE REPORTING

AB 1499, sponsored by the Department of Justice, requires specified long-term care facilities to train staff on elder and dependent adult abuse recognition and reporting. Facilities will use a minimum core training program developed by the Department of Justice in cooperation with the Departments of Health Services and Social Services.

SB 97 Burton (Chapter 155)
HEALTH FACILITIES

SB 97, sponsored by the California Nurses Association, prohibits health facilities from discriminating or retaliating against an employee or patient who has presented a grievance or complaint or has initiated or cooperated

Licensing and Certification (continued)

in an investigation relating to care, services or conditions of that facility. The provisions of SB 97 do not apply to an inmate of a state correctional facility or an inmate housed in a local detention facility, including a county jail or a juvenile hall, juvenile camp or other juvenile detention facility.

SB 188 Leslie (Chapter 900)
DRUG DISPENSING IN SMALL AND RURAL HOSPITALS

SB 188, sponsored by the California Healthcare Association, permits physicians in small and rural hospitals to dispense medications to outpatients of the hospital if a retail pharmacy is not reasonably available to the patient. SB 188 also requires the Board of Pharmacy to adopt regulations that would permit the temporary absence of a pharmacist for breaks and lunch period without closing the pharmacy.

SB 308 Escutia (Chapter 149)
NURSE EDUCATION PROGRAMS

SB 308, sponsored by the California Nurses Association, extends indefinitely the Registered Nurse Education Program and the Geriatric Nurse Practitioner and Clinical Nurse Specialist Scholarship Program. Under existing statute, these programs were due to be repealed on January 1, 2000. SB 308 also requires participants in the Registered Nurse Education Program to serve in an eligible county health facility or a health manpower shortage area.

OFFICE OF LONG-TERM CARE

AB 27 Nakano (Chapter 950)
LONG-TERM CARE INFRASTRUCTURE BLUEPRINT

AB 27, sponsored by the author, requires the Health and Human Services Agency to prepare a legislative report by January 1, 2001 on the options available to develop an integrated information sharing infrastructure among the various public home and community-based long-term care programs administered by multiple state departments. This report will address how information technology could be utilized to improve consumer access to long term-care information and referral and must include a technical analysis of the data currently being collected as well as a proposal for incremental steps needed to implement this long-term care infrastructure.

Office on Long-Term Care (continued)

AB 452 Mazzoni (Chapter 895)
LONG-TERM CARE COUNCIL WITHIN HEALTH AND HUMAN SERVICES AGENCY

AB 452, sponsored by the author, requires the Health and Human Services Agency to establish a Long-Term Care Council to provide leadership in the development of a coordinated long-term care system. The Council membership will include the directors of the Departments of Health Services, Aging, Developmental Services, Mental Health, Rehabilitation, Social Services, and Veterans Affairs, and the Office of Statewide Health Planning and Development. The Council will establish priorities and develop timelines for carrying out its duties, with the guidance that improving consumer access to long-term care information should be among the Council's first priorities. The Council will submit an annual progress report to the Legislature commencing January 2001.

MEDICAL CARE SERVICES

California Partnership for Long-Term Care

AB 1289 Baugh, Runner, David (Chapter 117)
TAX DEDUCTIONS: MEDICAL CARE EXPENSE

AB 1289, sponsored by the authors, makes state tax law consistent with the federal self-employed health insurance deduction percentages. For taxable years beginning on or after January 1, 1999, AB 1289 allows a deduction for 40 percent of the amount paid or incurred during the taxable year by a self-employed individual for insurance that constitutes medical care for the taxpayer or his or her spouse and dependents.

SB 475 Dunn (Chapter 669)
LONG-TERM CARE INSURANCE: PREMIUM GUIDE

SB 475, sponsored by the author, requires the Department of Insurance to annually prepare and distribute a consumer rate guide for long-term care insurance policies with explanations of the different types of policies and a premium history for each company selling such policies in California.

California Partnership for Long-Term Care (continued)

SB 738 Insurance Committee (Chapter 802)
CALIFORNIA PARTNERSHIP FOR LONG-TERM CARE

SB 738, sponsored by the Department of Health Services, extends the program sunset for the California Partnership for Long-Term Care pilot program by five years to January 1, 2005.

SB 870 Vasconcellos (Chapter 947)
LONG-TERM CARE: CONSUMER PROTECTIONS

SB 870, sponsored by the author, cleans up language to several statutes in the California Insurance Code regarding long-term care (LTC) insurance. The bill also adds new consumer protections including a mandate that all LTC policies (except home care only policies) provide coverage for care in a residential care facility, and changes requirements relating to coverage for pre-existing conditions and eligibility for nursing home benefits.

Medi-Cal Managed Care

AB 12 Davis (Chapter 531)
HEALTH CARE COVERAGE: SECOND MEDICAL OPINIONS

AB 12, sponsored by Health Access of California and amended to conform to the Governor's managed care reform proposals, requires health care service plans and disability insurers to provide or authorize a second medical opinion by an appropriately qualified health care professional if requested by an enrollee or an insured, or a participating or contracting health provider who is treating an enrollee or insured. The bill requires that the second opinion must be provided under one of five specified conditions. The bill also requires that the authorization or denial must be provided in an expeditious manner and specifies the conditions under which approval or denial must be made within 72 hours.

AB 39 Hertzberg (Chapter 532)
HEALTH CARE COVERAGE: CONTRACEPTIVES

AB 39, known as the "Women's Contraception Equity Act" and a companion bill to SB 41 (Speier), is sponsored by Planned Parenthood Affiliates of California. AB 39 requires health care service plans to cover federal Food and Drug Administration-approved prescription contraceptive methods whenever plan contracts provide outpatient prescription drug coverage. The measure also requires outpatient prescription drug benefits, including coverage of prescription contraceptives, to be the same for an enrollee's covered spouse and dependents as for the enrolled

Medi-Cal Managed Care (continued)

member. Certain religious employers are exempted from the bill's provisions if providing contraceptive coverage is contrary to their religious beliefs, but the employer must provide notice of the non-covered service to prospective enrollees.

AB 55 Migden and Thomson (Chapter 533)
HEALTH CARE SERVICE PLANS (HCSP): INDEPENDENT MEDICAL REVIEW (IMR)

AB 55, sponsored by the authors and amended to conform to the Governor's managed care reform proposals, requires HCSPs and disability insurers to provide an enrollee or insured with the opportunity to seek an IMR whenever health care services have been denied, modified, or delayed by the plan or by one of its contracting providers if the decision was based on a finding that the proposed services are not medically necessary. The bill establishes an IMR system whereby requests for reviews are conducted by an IMR organization, as specified. The enrollee or insured individual will not pay any application or processing fee and the cost of the IMR process shall be paid by an assessment of HCSPs and disability insurers.

AB 78 Gallegos (Chapter 525)
MANAGED CARE OVERSIGHT: CREATION OF NEW DEPARTMENT

AB 78, sponsored by author and amended to conform to the Governor's managed care reform proposals, establishes the Department of Managed Care within the Business, Transportation and Housing Agency. The measure transfers oversight of health care service plans from the Department of Corporations to the new Department of Managed Care.

AB 88 Thomson and Senator Perata (Chapter 534)
HEALTH CARE COVERAGE: MENTAL HEALTH SERVICES

AB 88, sponsored by the authors, requires Health Care Service Plans to cover defined biologically-based diseases of the brain in health care benefits policies similarly to the coverage of diseases of other organs of the body in health care coverage contracts. To guard against the possibility of over-utilization, this measure allows indemnity insurers as well as health care service plans to employ managed care techniques and subcontracts in order to deliver these needed health care services in a cost-effective, scientifically proven manner.

Medi-Cal Managed Care (continued)

AB 215 Soto (Chapter 530)
**HEALTH CARE SERVICE PLANS (HCSP): SOLVENCY AND
FINANCIAL RESPONSIBILITY**

AB 215, sponsored by the author and amended to conform to the Governor's managed care reform proposals, provides clean-up language to SB 260 (Speier, Chapter 529, Statutes of 1999). SB 260 establishes a Financial Solvency Board in the Department of Managed Care to regulate HCSPs. The Board is to advise that department's director on financial solvency requirements and standards for health plans and their risk-bearing contractors. The measure contains specific provisions regarding the relations between risk-bearing organizations' administrative and financial capacity and prohibits the Department of Managed Care from issuing a limited Knox-Keene license to a person or provider under contract with a HCSP who assumes professional and institutional risk.

AB 285 Corbett (Chapter 535)
HEALTH CARE COVERAGE: TELEMEDICINE

AB 285, sponsored by author and amended to conform to the Governor's managed care reform proposals, requires any in-state or out-of-state business entity engaged in the business of providing telephone medical advice services to a patient in California to be registered with the Department of Consumer Affairs. The measure also requires health care service plans and disability insurers, as specified, that provide advice services to ensure that their advice service is registered pursuant to this bill, and to ensure that a physician is available on an on-call basis at all times the service is advertised to be available.

AB 416 Machado (Chapter 527)
CONFIDENTIALITY OF MENTAL HEALTH RECORDS

AB 416, sponsored by the California Society for Clinical Social Work and amended to conform to the Governor's managed care reform proposals, prohibits health care providers from releasing specified medical information regarding an individual's participation in outpatient treatment with a psychotherapist without a written request to the provider and notice to the patient.

AB 496 Leach (Chapter 769)
NONDISCLOSURE OF PROVIDER RATES AND CONTRACTS

AB 469, sponsored by Contra Costa County, exempts from public disclosure health care service plan records pertaining to provider rates

Medi-Cal Managed Care (continued)

and provider contract negotiations when a county board of supervisors governs the local initiative Medi-Cal managed care plan.

AB 892 Alquist (Chapter 528) HEALTH CARE COVERAGE: HOSPICE CARE

AB 892, sponsored by the California State Hospice Association, requires health care service plans to cover hospice care for the terminally ill as a basic health care service. The measure requires that, at a minimum, hospice care will be equivalent to that provided in the federal Medicare program.

AB 1049 Aanestad (Chapter 88) DISABILITY INSURERS: IDENTIFICATION CARD

AB 1049, sponsored by the Association of California Life and Health Insurance Companies, requires disability insurers to indicate on each insured's identification card whether a separate telephone number must be called to verify eligibility for benefits and coverage. This measure also requires that a written notice be mailed to insureds informing them that review and approval of a health service does not constitute eligibility for benefits and coverage.

SB 5 Rainey (Chapter 537) HEALTH CARE COVERAGE: BREAST CANCER

SB 5, sponsored by the author, requires specified health care service plans (HCSPs) and disability insurers to cover the screening, diagnosis and treatment for breast cancer consistent with acceptable medical practice upon referral of the enrollee's participating physician. The measure also prohibits HCSPs and insurers from denying enrollment of an individual because of a personal or family history of breast disease or breast cancer.

SB 19 Figueroa (Chapter 526) CONFIDENTIALITY OF MEDICAL RECORDS

SB 19, sponsored by the author and amended to conform to the Governor's managed care reform proposals, revises the Confidentiality of Medical Information Act (CMIA). SB 19 prohibits health care providers, health care service plans (HCSPs), or contractors from disclosing medical information without a patient's authorization, unless such disclosure is compelled and prohibits intentionally sharing, selling or otherwise using medical information, except as specified. SB 19 provides enforcement against violators that knowingly and willingly obtain, disclose, or use

Medi-Cal Managed Care (continued)

medical information, making such violations subject to expanded fines or civil penalties, and prohibits requiring a patient, as a condition of securing health care services or receiving health care coverage, to sign an authorization, release, or consent which waives disclosure of medical information that otherwise would be protected by law. The measure requires HCSPs to have policies and procedures to protect patient confidentiality.

SB 21

Figueroa (Chapter 536)

HEALTH CARE SERVICE PLANS (HCSPs): LIABILITY

SB 21, sponsored by Consumers of Quality Care, California Nurses Association and Consumer Attorneys of California, was amended to conform to the Governor's managed care reform proposals. SB 21 makes HCSPs liable for any and all harm legally caused by the failure to exercise ordinary care in arranging for the provision of, or denial of, health care services in specified conditions. The measure prohibits HCSPs from seeking indemnity from a provider for liability resulting from the requirements of this bill, and states that an individual may not seek a cause of action against an HCSP unless he or she has exhausted the procedures provided by an independent medical review system, with certain exceptions.

SB 41

Speier (Chapter 538)

HEALTH CARE COVERAGE: CONTRACEPTIVES

SB 41, known as the "Women's Contraception Equity Act," is a companion bill to AB 39 (Hertzberg) and is co-sponsored by the American College of Obstetricians and Gynecologists and Planned Parenthood Affiliates of California. The measure requires certain disability insurers to cover federal Food and Drug Administration-approved prescription contraceptive methods whenever the policy provides outpatient prescription drug coverage. The bill also requires outpatient prescription drug benefits, including coverage of prescription contraceptives, to be the same for an insured individual's covered spouse and dependents as for the insured. Certain religious employers are exempted from the bill's provisions if providing contraceptive coverage is contrary to their religious beliefs, but the employer must provide notice of the non-covered service to prospective insureds.

Medi-Cal Managed Care (continued)

SB 59 Perata (Chapter 539)
**HEALTH CARE SERVICE PLANS (HCSPs): UTILIZATION REVIEW
CRITERIA AND GUIDELINES**

SB 59, sponsored by the California Medical Association and amended to conform to the Governor's managed care reform proposals, relates to improving HCSPs' utilization review process and the content of the clinical criteria and guidelines upon which such decisions are based. SB 59 requires that HCSPs employ a California licensed medical director to ensure that the provisions of this law are followed and establishes specific timeframes within which utilization review decisions must be made. The measure also requires the Medi-Cal program to develop a standard form for its contracting health plans to use in noticing Medi-Cal enrollees of their rights of appeal of medical necessity decisions.

SB 64 Solis and Sher (Chapter 540)
HEALTH CARE COVERAGE: DIABETES

SB 64, sponsored by the American Diabetes Association, requires health care service plans to cover the management and treatment of diabetes to include specified equipment, supplies, training and prescription drugs, if those items are determined to be medically necessary.

SB 189 Schiff and Assemblymember Migden (Chapter 542)
**HEALTH CARE SERVICE PLANS (HCSPs): INDEPENDENT MEDICAL
REVIEW (IMR)**

SB 189, sponsored by the authors and amended to conform to the Governor's managed care reform proposals, modifies existing grievance procedures required of HCSPs (including Medi-Cal managed care plans) to include specified provisions, including a provision that a plan must complete a grievance within 30 days. The measure also creates penalties on HCSPs that fail to promptly render IMR decisions and requires the Department of Managed Care to submit a report to the Legislature by March 1, 2002, on the initial implementation of the IMR system.

SB 205 Perata (Chapter 543)
HEALTH CARE COVERAGE: CANCER SCREENING

SB 205, sponsored by the author, requires health care service plans and disability insurers to cover "generally medically accepted" cancer screening tests in contracts or policies after January 1, 2000, subject to applicable terms and conditions.

Medi-Cal Managed Care (continued)

SB 260 Speier (Chapter 529)
HEALTH CARE SERVICE PLANS (HCSPs): SOLVENCY AND FINANCIAL RESPONSIBILITY

SB 260, sponsored by the author and amended to conform to the Governor's managed care reform proposals, establishes a Financial Solvency Board in the Department of Managed Care (established by AB 78, Gallegos, Chapter 525, Statutes of 1999). The Board is to advise the director on financial solvency requirements and standards for health plans and their risk-bearing contractors. The measure contains specific provisions regarding the relations between a risk-bearing organization's administrative and financial capacity and prohibits the Department of Managed Care from issuing a limited Knox-Keene license to a person or provider under contract with an HCSP to assume professional and institutional risk.

SB 349 Figueroa (Chapter 544)
HEALTH CARE COVERAGE: EMERGENCY PSYCHIATRIC SERVICES

SB 349, sponsored by Washington Hospital Healthcare System, redefines emergency services and care to include additional screening, examination, and evaluation at a licensed general acute care hospital or acute psychiatric hospital to determine if a psychiatric emergency medical condition exists.

SB 559 Brulte (Chapter 545)
PREFERRED PROVIDER RATES AND AGREEMENTS

SB 559, sponsored by the California Chiropractic Association and the California Healthcare Association, imposes disclosure requirements on contracting agents that sell, lease, assign, or otherwise transfer a list of contracted providers and their contracted rates to other payors. Similar requirements are also imposed on payors, and payors failing to comply with these requirements will be liable for paying non-preferred rates. "Payors" include all health care service plans, disability and liability insurers, workers' compensation insurers, employers and any other third party responsible for paying for health care services provided to beneficiaries by health care providers.

Medi-Cal Managed Care (continued)

SB 1185 Johnston (Chapter 311)
DISCRIMINATION: GENETIC CHARACTERISTICS

SB 1185, sponsored by the author, redefines the term “genetic characteristic” for the purpose of clarifying laws prohibiting discrimination based on a medical condition in the California Civil, Health and Safety, and Insurance Codes.

Medi-Cal Operations

AB 761 Briggs (Chapter 226)
DISPROPORTIONATE SHARE PROVIDERS

AB 761, sponsored by the Association of California Health Care Districts, creates the Small and Rural Hospital Supplemental Payments (SRHSP) Fund for small and rural hospitals with standby emergency rooms. The SRHSP fund consists of public funds transferred by public agencies, privately donated funds, and any amounts appropriated by the Legislature that will be matched with federal funds. Under the bill’s criteria, there are five hospitals, designated as small and rural, that may be eligible under the SRHSP if they participate in the Selective Provider Contracting Program.

AB 1353 Health Committee (Chapter 701)
MEDI-CAL CONSTRUCTION/RENOVATION REIMBURSEMENT PROGRAM

AB 1353, sponsored by the City of Hope National Medical Center, requires the State to continue to provide supplemental reimbursement to hospitals that met the initial eligibility requirements to participate in the Construction/Renovation Reimbursement Program (CRRP), but that no longer meet the criteria as disproportionate share hospitals (DSH). In addition, hospitals participating in the CRRP that do not meet the criteria for disproportionate share status on or before June 30, 2002, must submit data to the Department of Health Services describing reasons why they failed to meet the DSH criteria due to one or more factors outlined in the bill.

SB 538 O’Connell (Chapter 899)
SAN LUIS OBISPO HEALTH AUTHORITY

SB 538, sponsored by San Luis Obispo County, authorizes the Board of Supervisors to establish a health authority with a board, as specified, to manage, administer and control the General Hospital and Family Care

Medi-Cal Operations (continued)

Centers according to the mission statement adopted by the San Luis Obispo County Board of Supervisors. This bill also provides the Joint Legislative Audit Committee with access to any records of the health authority, while exercising their mandated powers.

SB 1128 Speier (Chapter 757) SUPPLEMENTAL REIMBURSEMENT

SB 1128, sponsored by the author, authorizes supplemental reimbursement for a distinct part of a general acute care hospital, which meets certain requirements and provides a disproportionate share of skilled nursing services to Medi-Cal patients. In addition, supplemental reimbursement will be for the costs associated with the construction, renovation, expansion, replacement, or remodeling of an eligible facility, and will be in addition to the rate of payment the facility receives for skilled nursing services.

Medi-Cal Policy

AB 124 Ackerman (Chapter 436) SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY BOARD

AB 124, sponsored by the California Speech-Language-Hearing Association, re-establishes the Speech-Language Pathology and Audiology Board by extending the sunset date of the statute to January 1, 2003. This legislation also establishes licensure and credentialing requirements for speech-language pathologists and terminates the Department of Consumer Affairs' administration of the speech-language and pathology licensing laws, effective December 31, 1999. The board is required to be re-created with new members on or after January 1, 2000, to serve until July 1, 2002, at which time the administrative functions would be transferred back to the Department of Consumer Affairs.

AB 150 Aroner, Kuehl, Villaraigosa (Chapter 479) CHILD SUPPORT ENFORCEMENT: STATEWIDE AUTOMATION SYSTEM

AB 150, sponsored by the author, requires the single state agency responsible for operating the child support enforcement program to be responsible, through the Franchise Tax Board as its agent, for the development, implementation, and maintenance of the California Child Support Automation System in all counties. Any federal penalties assessed on the counties for failure to implement the Statewide Automated Child Support System, or because another alternative system

Medi-Cal Policy (continued)

was disapproved by the federal agency, shall be paid by the State. The Medi-Cal program provides health insurance coverage for all applicants and recipients of the CalWORKS and Medi-Cal programs, who have an absent parent. AB 150 is expected to improve the collection of child and medical support.

AB 155 Migden (Chapter 820) MEDI-CAL BENEFITS FOR THE WORKING DISABLED

AB 155, sponsored by the author, adopts the federal option to provide Medicaid benefits to otherwise eligible employed disabled individuals who meet the federal definition of disability, if their net countable family income is less than 250 percent of the federal poverty level. The Department of Health Services is required to submit a State Plan Amendment to ensure receipt of federal financial participation, to establish sliding scale premiums and to adopt regulations to terminate eligibility after nonpayment of premiums for more than two months.

AB 196 Kuehl (Chapter 478) CHILD SUPPORT ENFORCEMENT: CREATION OF NEW DEPARTMENT

AB 196, sponsored by the author, establishes the Department of Child Support Services in the California Health and Human Services Agency. The new department will be the single state agency to administer the State Plan for child support enforcement. The Director of the Department of Child Support Services will develop the policies, forms and procedures to be employed statewide, by all child support agencies. Regulations implementing these forms and procedures are required to be adopted no later than January 1, 2001. The Medi-Cal program provides health insurance coverage for all applicants and recipients of the CalWORKS and Medi-Cal programs, who have an absent parent. AB 196 is expected to improve collection of child and medical support, thus improving continuity of health care for this population.

AB 359 Aroner (Chapter 845) CONTINUOUS CARE NURSING PILOT PROGRAM

AB 359, sponsored by the Association of Regional Center Agencies, requires the Department of Health Services to establish a pilot program under Section 1915(b) of the Social Security Act, contingent upon approval of the federal Health Care Financing Administration (HCFA), to provide for the licensure and regulation of facilities, and reimbursement rate for services provided to developmentally disabled individuals who

Medi-Cal Policy (continued)

require the availability of continuous skilled nursing care in a small, community-based facility. The bill requires the Department to submit a waiver request to HCFA by April 1, 2000. The pilot program will sunset on January 1, 2003, unless the statute is extended or repealed by future legislation.

AB 689 Gallegos (Chapter 831)
**BREAST CANCER EARLY DETECTION PROGRAM FUNDING AND
MEDI-CAL ADMINISTRATIVE ACTIVITIES CLAIMING**

AB 689, sponsored by the author, contains an appropriation from the 1999 budget year Cigarette and Tobacco Products Surtax Fund (CTPSF) to continue to fund the Breast Cancer Early Detection Program. This legislation conforms to the Governor's direction to restore a general fund budget cut with an appropriation from the CTPSF. AB 689 also makes a technical correction to the statute amended in AB 2780 (Chapter 310, Statutes of 1998) which inadvertently misstated the timeframes in which local governmental agencies may perform and be reimbursed for Medi-Cal administrative activities.

AB 936 Reyes (Chapter 716)
MEDICARE SUPPLEMENTAL COVERAGE

AB 936, sponsored by the Congress of California Seniors, entitles a Medicare-eligible individual who was previously enrolled in a Medicare managed care plan, but whose coverage was terminated between September 1, 1998, and December 31, 1998, or after January 1, 1999, to specified additional periods of open enrollment in health care service plans offering supplemental coverage and in Medicare supplement insurance policies.

AB 1107 Budget Committee (Chapter 146)
**DEPARTMENT OF HEALTH SERVICES OMNIBUS BUDGET TRAILER
BILL**

AB 1107, sponsored by the Department of Health Services (Department), is the Department's primary trailer bill to implement portions of the Governor's 1999-2000 Budget related to health and human services programs. Among its 81 provisions, the bill includes provisions for the Department's Medical Care Services (Medi-Cal) Program, Prevention Services, Primary Care and Family Health, Women's Health, Multicultural Health, Audits and Investigations, and County Health Services. It also includes provisions for the Departments of Developmental Services and Mental Health, as well as the Healthy Families program administered by

Medi-Cal Policy (continued)

the Managed Risk Medical Insurance Board. AB 1107 contains the major provisions of the Governor's Anti-Fraud Initiative.

AB 1111 Aroner, and Senators Chesbro and Speier (Chapter 147)
DEPARTMENT OF SOCIAL SERVICES BUDGET TRAILER BILL

AB 1111, sponsored by the Department of Social Services (DSS), includes provisions related largely to that department, but also to other departments within the California Health and Human Services Agency. Among other things, it establishes a program of public health nursing within DSS to enhance the physical, mental, dental, and developmental well-being of children in the child welfare (foster care) system. Implementation is contingent on the availability of federal financial participation.

AB 1161 Soto (Chapter 227)
STATEMENT OF MEDI-CAL ELIGIBILITY REQUIREMENTS

AB 1161, sponsored by the California Advocates for Nursing Home Reform, revises the requirement that the Department of Health Services provide a clear and simple statement to an applicant or recipient, to his or her spouse, and to his or her responsible relative, explaining how the Medi-Cal eligibility requirements affect separate and community property prior to admission in a nursing facility. This legislation revised existing obsolete statute to reflect current Medi-Cal resource eligibility criteria, transfer of property penalties and spousal impoverishment protection rules.

AB 1209 Health Committee (Chapter 44)
DISPROPORTIONATE SHARE HOSPITAL REIMBURSEMENT

AB 1209, sponsored by the California Association of Public Hospitals and Health Systems, revises certain factors within the state fiscal years 1998-99 and 1999-2000 Disproportionate Share Hospital (DSH) program's formulas relating to the distribution of the DSH payment adjustments. These revisions require federal approval before implementation and do not address any payment years after fiscal year 1999-2000.

AB 1671 Judiciary Committee (Chapter 980)
CHILD SUPPORT ENFORCEMENT: LEGAL CUSTODY

AB 1671, sponsored by the Assembly Judiciary Committee, provides that any court order for child and medical support regarding physical or legal custody shall be determined according to existing law which provides for

Medi-Cal Policy (continued)

proceeding to determine the custody of a child. This legislation contains clean-up language supported by the Department of Social Services intended to strengthen child support enforcement.

SB 72

Murray (Chapter 454)

PROVISION OF FINANCIAL SERVICES BY LAWYERS

SB 72, sponsored by the author, regulates, through the use of disclosure statements, the sale of annuities, life insurance and long-term care insurance by lawyers. The disclosure provisions require the attorney to advise clients of other alternatives, including appropriately reducing resources in order to establish eligibility for the Medi-Cal program, or obtaining an order from the court or an administrative law judge to protect the spouse or family from impoverishment when an ill spouse is institutionalized. Clients that suffer any damages as a result of a violation of this statute by any lawyer may bring an action against that lawyer or obtain other remedy.

SB 164

Johnston (Chapter 471)

MEDI-CAL: JAPANESE REPARATION PAYMENT EXEMPTION EXPANSION

SB 164, sponsored by the author, exempts Japanese reparation payments from the Canadian government from consideration as income for the purposes of determining eligibility for the Medi-Cal program. This legislation provides that when such payments from the United States Civil Liberties Public Education Fund or from the Canadian government are converted into another form or are inherited by a spouse, an amount of otherwise nonexempt excess property equal to the amount of the original payment shall be exempt from consideration. In addition, this legislation provides that the amount of the original payment shall be exempt for the purposes of Medi-Cal estate recovery.

SB 393

Speier (Chapter 946)

MEDICARE DRUG DISCOUNT PROGRAM

SB 393, sponsored by the author, establishes a new state discount drug program for outpatient Medicare beneficiaries. Pharmacies must participate in the discount drug program as a condition of becoming or remaining a Medi-Cal pharmacy provider. The pharmacy would be required to charge Medicare beneficiaries a cash price not to exceed the Medi-Cal reimbursement rate, plus an amount to cover the cost of electronic transmission, for that prescription. The measure also requires the Department of Health Services to submit studies to the Legislature on the adequacy of pharmacy reimbursement rates for Medi-Cal and the

Medi-Cal Policy (continued)

participation of pharmacies in this new program as well as the Medi-Cal program. The program is repealed on January 1, 2003.

SB 480 Solis (Chapter 990)

REPORT ON UNIVERSAL HEALTH CARE OPTIONS

SB 480, sponsored by Health Care for All, Neighbor to Neighbor and the California Congress of Seniors, requires the California Health and Human Services Agency (HHSA) to report to the Legislature by December 1, 2001, on the feasibility of providing and the possible methods of financing, delivering and defining universal health coverage. HHSA will receive information from its departments in developing the report. The report will also include information regarding the availability of federal financial participation and the necessity of waivers.

SB 542 Burton and Schiff (Chapter 480)

CHILD SUPPORT ENFORCEMENT: CONFORMING LEGISLATION

SB 542, sponsored by the author, conforms existing state statute to the changes made by AB 196 (Kuehl, Chapter 478, Statutes of 1999). SB 542 also revises the collection and enforcement of child support by the Franchise Tax Board. The bill mandates statewide uniformity in management of child support enforcement and services. The Department of Social Services is the lead agency on all of the Child Support Enforcement bills, as it is currently the single state agency for administration of this function. The Medi-Cal program provides health insurance coverage for all applicants and recipients of the CalWORKS and Medi-Cal programs, who have an absent parent. SB 542 may improve access to other health coverage and provide improved continuity of care for this population.

SB 651 Burton (Chapter 190)

MEDI-CAL PRESCRIPTION DISPENSING FEE

SB 651, sponsored by the Region 8 State Council of the United Food and Commercial Workers, requires the Medi-Cal program to increase its drug dispensing fee for pharmacies by 25 cents per prescription effective January 1, 2000, and by an additional 15 cents effective July 1, 2002. The bill also provides that a person employed in the practice of pharmacy is not exempt from coverage under any provision of the wage orders of the Industrial Welfare Commission, unless he or she individually meets the criteria established for exemption as executive or administrative employees.

Medi-Cal Policy (continued)

SB 708 Budget Committee (Chapter 148)
DEPARTMENT OF HEALTH SERVICES CLEANUP TRAILER BILL

SB 708, sponsored by the Department of Health Services, is a trailer bill to implement portions of the Governor's 1999-2000 Budget related to Department of Health Services and Department of Social Services, and to clean up portions of the Omnibus Health Trailer Bill, AB 1107 (Budget Committee, Chapter 146, Statutes of 1999). The provisions of SB 708 relate to Medi-Cal eligibility, ancillary services provided in Institutions for Mental Disease, and aliens in long-term care, and contains a \$1.2 million augmentation of the Department of Health Services' budget for increased Medi-Cal provider fraud prevention activities.

SB 1248 Johannessen (Chapter 114)
RESIDENTIAL CARE FACILITIES FOR THE ELDERLY

SB 1248, sponsored by the author, deletes the requirement that a resident of a residential care facility must reside in the facility for a period of at least six months prior to a physician's authorization for hospice services. The residential care facility waiver program is administered by the Department of Social Services. Hospice services may be reimbursed under the Medi-Cal program regardless of the place of residence of the Medi-Cal beneficiary, so this legislation does not impact the provision of Medi-Cal benefits.

SB 1270 Health and Human Services Committee (Chapter 887)
MEDI-CAL BENEFITS FOR CHILDREN RECEIVING ADOPTION
ASSISTANCE PAYMENTS FROM ANOTHER STATE

SB 1270, sponsored by the Departments of Social Services and Health Services, provides Medi-Cal benefits to children receiving state-only Adoption Assistance Program payments from another state and would allow California to participate in a federal incentive program to receive federal adoption incentive payments for each foster child adopted over and above the base number of adoptions for the fiscal years 2001 and 2002. In addition, this legislation provides for California's participation in the Interstate Compact that provides for a more streamlined process with common forms and contact persons from other states who are also providing Medicaid benefits for children receiving out-of-state Adoption Assistance Program payments. AB 1270 contains technical clean-up that clarifies the role of the court in foster care cases and deletes the requirement that the Director of the Department of Social Services adopt all regulations, orders and standards for its programs.

Payment Systems

AB 552 Thompson (Chapter 177)
OUTPATIENT GENERAL ANESTHESIA

AB 552, sponsored by the California Society of Anesthesiologists, extends the sunset date regarding the administration of general anesthesia by a physician within a dental office until January 1, 2002.

AB 1051 Kaloogian (Chapter 263)
ESTATES: CLAIMS

AB 1051, sponsored by the State Bar of California, establishes that community or quasi-community property transferred to a revocable trust will retain its community or quasi-community characteristics if the property is divided by the trust. In addition, this bill eliminates the requirement that in order for a creditor to hold the personal representative of an estate liable for failure to give notice of the administration of the estate, the creditor of the estate must establish that the attorney representing the creditor did not have knowledge of the administration of the estate.

SB 1308 Figueroa (Chapter 655)
HEALING ART PROFESSIONALS

SB 1308, sponsored by the author, is an omnibus bill that makes various technical changes in the health care regulatory programs for the various professional boards of the Department of Consumer Affairs, including the Board of Dental Examiners. The bill strengthens the Board of Dental Examiners authority over its licensees and applicants for state dental licensure. The Program enhancements in this bill complement the provider monitoring functions and patient protection policies of the Department of Health Services.

PREVENTION SERVICES

Office of AIDS

AB 136 Mazzoni (Chapter 762)
NEEDLE EXCHANGE

AB 136, sponsored by the author, exempts from criminal prosecution public entities and their agents and employees who distribute hypodermic needles or syringes to participants in clean needle and syringe exchange

Office of AIDS (continued)

projects authorized by the public entity, pursuant to a declaration of local emergency due to the existence of a critical local public health crisis.

AB 435 Corbett (Chapter 766)
WORKERS' COMPENSATION MEDICAL RECORDS: HIV DISCLOSURE

AB 435, sponsored by AIDS Legal Services of San Jose, provides that, except under specified circumstances, the workers' compensation exemption under the Confidentiality of Medical Information Act shall not be used to permit the disclosure or use of medical information regarding a patient's HIV status without prior authorization from the patient.

AB 1047 Firebaugh (Chapter 497)
AIDS DRUG ASSISTANCE PROGRAM

AB 1047, sponsored by the AIDS Healthcare Foundation, requires the Department of Health Services (Department) to add any antiviral drug to the AIDS Drug Assistance Program (ADAP) formulary within 30 days of federal Food and Drug Administration approval of the drug for treatment of AIDS, AIDS-related conditions, or HIV, if the drug is approved by the Department's ADAP Medical Advisory Committee and subject to the Department's analysis of the fiscal effect of the addition. In addition, the bill requires the Department to prepare a report to the Legislature by October 1, 2000 on the performance of the ADAP's pharmaceutical benefits management contractor.

Chronic Disease and Injury Control

AB 106 Scott (Chapter 246)
FIREARM SAFETY

AB 106, sponsored by the author and in conjunction with SB 130, establishes the Aroner-Scott-Hayden Firearms Safety Act of 1999. The bill requires that firearms sold, transferred, or manufactured in California be accompanied by warning language and, with certain exceptions, a safety device approved by the Department of Justice. In addition, the bill requires law enforcement agencies to report to the Department of Health Services information on unintentional or self-inflicted gunshot wounds to children.

Chronic Disease and Injury Control (continued)

AB 160 Alquist (Chapter 315)
ALZHEIMER'S TAX CHECK OFF

AB 160, sponsored by the California Council of Alzheimer's Associations, extends the Alzheimer's Disease and Related Disorders Research tax check off program from January 1, 2000, to January 1, 2005.

AB 161 Alquist (Chapter 819)
OSTEOPOROSIS PREVENTION AND EDUCATION

AB 161, sponsored by the author, requires the Department of Health Services to establish an osteoporosis prevention and education program. The bill requires that the program promote public awareness of osteoporosis, provide training for health professionals, convene an advisory panel, and develop and disseminate protocols for the prevention of falls and fractures. In addition, the bill appropriates \$250,000 for the program.

AB 1055 Villaraigosa (Chapter 712)
PLAYGROUND SAFETY AND RECYCLING MATERIAL

AB 1055, sponsored by the Children's Advocacy Institute, establishes a three-year grant program within the Integrated Waste Management Board to assist local agencies to repair playgrounds using recycled materials. In addition, the bill moves the deadline for compliance with the Department of Health Services' playground safety regulations from January 1, 2000, to January 1, 2003, for private playgrounds. Further, the bill exempts certain foster care and child care providers from the regulations, makes special provisions for compliance for playgrounds installed between January 1, 1994, and December 31, 1999, and mandates an initial inspection for compliance by a certified playground safety inspector by October 1, 2000.

AB 1475 Soto (Chapter 663)
SAFE ROUTES TO SCHOOL PROGRAM

AB 1475, sponsored by the Surface Transportation Policy Project and the California Bicycle Coalition, requires the Department of Transportation to establish and administer a Safe Routes to School mini-grant program using federal transportation funds for high-hazard projects. Current federal law allows, but does not require, these funds to be spent for this purpose.

Chronic Disease and Injury Control (continued)

AB 1595 Migden (Chapter 693)
CIGAR LABELLING

AB 1595, sponsored by the author, requires cigar manufacturers and importers to place one of three specified warning labels on the cellophane overwrap or retail package of cigars packaged for sale after September 1, 2000, and shipped for distribution in California. In addition, the bill authorizes penalties for violations of the labeling requirement and authorizes enforcement actions by the Attorney General, district attorneys, city attorneys in cities with populations greater than 750,000, and city prosecutors with the consent of the district attorney. Further, the bill supercedes the warning label requirements of the Proposition 65 stipulated judgement related to cigars and provides that the bill shall be superceded by any later-enacted federal laws.

SB 15 Polanco (Chapter 248)
UNSAFE HANDGUNS

SB 15, sponsored by the author, makes it a misdemeanor to manufacture, sell, lend, give, or import unsafe handguns in California. The bill defines permissible handguns according to specified criteria, including a drop test and a misfire test. In addition, the bill requires the Department of Justice to certify independent laboratories to test handguns and to publish a roster of handguns that pass these tests.

SB 130 Hayden (Chapter 245)
FIREARM SAFETY

SB 130, sponsored by the author and in conjunction with AB 106, establishes the Aroner-Scott-Hayden Firearms Safety Act of 1999. The bill requires that firearms sold, transferred, or manufactured in California be accompanied by warning language and, with certain exceptions, a safety device approved by the Department of Justice. In addition, the bill requires law enforcement agencies to report to the Department of Health Services information on unintentional or self-inflicted gunshot wounds to children.

SB 218 Solis (Chapter 662)
DOMESTIC VIOLENCE

SB 218, sponsored by the Los Angeles City Attorney's Office and the California Alliance Against Domestic Violence, makes numerous changes to improve the effectiveness of domestic violence protective orders and provide greater security and protection for victims of domestic violence.

Chronic Disease and Injury Control (continued)

Among other things, the changes affect restraining order procedures, arrest policies, and domestic violence death review teams.

SB 525 Polanco (Chapter 1012) FATAL CHILD ABUSE AND NEGLECT

SB 525, sponsored by the Interagency Council on Child Abuse and Neglect and Prevent Child Abuse, California, makes numerous changes to existing law relating to the coordination of state and local efforts to address fatal child abuse and neglect. The bill expands the membership of the State Child Death Review Council and clarifies the roles and responsibilities of the Departments of Justice, Health Services, and Social Services, and the Office of Criminal Justice Planning. The bill requires the Department of Health Services to design and implement a statewide child abuse and neglect fatality tracking system, if funding is provided in the annual Budget Act.

SB 822 Escutia (Chapter 780) TOBACCO SETTLEMENT: PARTICIPATING AND NONPARTICIPATING MANUFACTURERS

SB 822, sponsored by the Attorney General's Office, requires cigarette manufacturers to either become participants in the tobacco Master Settlement Agreement or deposit a specified amount of money annually in a reserve fund to pay future legal claims or judgments. If money in the fund is not paid out, the bill requires it to be returned to the manufacturer, with interest, 25 years after the date of deposit. In addition, the bill establishes penalties for violations of this requirement and authorizes the Attorney General to take legal action against violators.

SB 910 Vasconcellos (Chapter 948) STATEWIDE PLAN ON AGING

SB 910, sponsored by the author, requires the Health and Human Services Agency, by July 1, 2003, to develop a statewide plan to address the demographic, economic, and social needs of California's aging society. The bill appropriates \$125,000 to the University of California to survey existing resources and other planning activities related to the development of the statewide plan.

SB 1009 Ortiz (Chapter 751) ADMINISTRATION OF THE CANCER RESEARCH PROGRAM

SB 1009, sponsored by the author, codifies and/or revises selected Department of Health Services (Department) Cancer Research Program

Chronic Disease and Injury Control (continued)

(CRP) administrative procedures. Specifically, the bill mandates that the CRP shall not encumber money allocated in any fiscal year other than the fiscal year in which the appropriation was made; mandates that a majority of the Cancer Research Council be present and voting when approving research priorities and making recommendations to the Department; requires that a minimum of 65 percent of the CRP grant funds be awarded for gender-specific research; grants the CRP multiyear expenditure authority; and allows peer review panels to recommend awarding a grant on the condition of a single adjustment or correction to the proposal before the receipt of funding.

Communicable Disease Control

AB 63 Ducheny (Chapter 765) OFFICE OF BINATIONAL BORDER HEALTH

AB 63, sponsored by the author, establishes a permanent Office of Binational Border Health within the Department of Health Services (Department). The bill requires the office to convene a community advisory group of border community-based stakeholders to develop a strategic plan. In addition, the bill requires the office to seek available private and public funding to support its activities and to prepare an annual border health status report to the Department, the Legislature, and the Governor.

AB 1482 Alquist (Chapter 81) HOLDING PERIODS FOR IMPOUNDED ANIMALS

AB 1482, sponsored by the City of San Jose, delays until July 1, 2000, the implementation date for SB 1785 (Hayden, Chapter 752, Statutes of 1998), which requires animal pounds and shelters to increase the holding period for animals prior to euthanizing them.

SB 204 Lewis (Chapter 1010) RED IMPORTED FIRE ANTS

SB 204, sponsored by the author, appropriates \$9.5 million to the California Department of Food and Agriculture to control and eradicate red imported fire ants. The Department of Food and Agriculture will allocate the funds to designated local entities to implement workplans that include public education; training of employees on fire ant biology, survey, and control; and development of data collection systems. In addition, the bill requires the Department of Food and Agriculture, not later than

Communicable Disease Control (continued)

June 30, 2000, to report to the Legislature outlining its expenditures and setting forth its progress in eradicating red imported fire ants in California.

SB 741 Alpert (Chapter 747)
VARICELLA (CHICKENPOX) VACCINATION

SB 741, sponsored by the California School Nurses Organization, requires varicella (chickenpox) vaccination or other proof of varicella immunity for kindergarten and child care facility admission beginning July 1, 2001. The bill also requires proof of immunization or immunity for children entering school at higher grade levels from out-of-state. The bill will be implemented only to the extent that funding is provided in the annual Budget Act.

SB 1115 Chesbro (Chapter 668)
LYME DISEASE

SB 1115, sponsored by the author, creates a Lyme disease information service within the Department of Health Services (Department). The information service is to serve as a statewide resource for Lyme disease educational materials. In addition, the bill requires the Department to create a Lyme disease advisory committee to oversee dissemination of educational materials. Further, the bill requires the Department to provide information on Lyme disease risk factors to the Occupational Safety and Health Standards Board to aid the Board in identifying which employees should be vaccinated against Lyme disease.

Drinking Water and Environmental Management

AB 538 Wayne (Chapter 488)
BACTERIOLOGICAL STANDARDS FOR PUBLIC BEACHES

AB 538, sponsored by the author, requires protocols for the investigation of storm drains that produce exceedences of bacteriological standards for public beaches. The State Water Resources Control Board in conjunction with the Department of Health Services (Department) and a panel of experts will establish these protocols by September 30, 2000. A report to the Legislature is mandated by March 31, 2001, that will identify the number of beaches expected to exceed standards, the associated investigation costs, and a timeline for completion of investigations. The bacteriological standards referenced in AB 538 were developed by the Department to meet the requirements of AB 411 (Wayne, Chapter 765, Statutes of 1997).

Drinking Water and Environmental Management (continued)

AB 1584 Machado (Chapter 725) OMNIBUS WATER BOND ACT

AB 1584, sponsored by the author, authorizes a \$1.97 billion State General Obligation Bond measure to be placed on the March 7, 2000, statewide ballot. This bond measure will establish a funding source for projects to: 1) meet safe drinking water standards; 2) improve water quality; 3) enhance flood protection; 4) increase water conservation; 5) improve water supply and water system infrastructure reliability; and 6) promote the use of recycled water. AB 1584 establishes state matching funding for California to access federal capitalization grant funds. The bill allows the Department of Health Services to immediately access approximately \$160 million in federal funding for public water system improvements including meeting safe drinking water standards and infrastructure reliability.

SB 407 Alpert (Chapter 139) DISPOSAL OF MEDICAL WASTE

SB 407, sponsored by the San Diego Industrial Environmental Association and BIOCUM/San Diego, allows biotechnology, university and research laboratories to treat the liquid waste they generate by chemical disinfection methods recognized and recommended by the National Institutes of Health, the federal Centers for Disease Control and Prevention, and the American Biological Safety Association. The legislation is consistent with requirements of the Medical Waste Management Act (MWMA) and addresses the difficulties these laboratories were experiencing in disposing of liquid wastes in compliance with best laboratory practices, bloodborne pathogens requirements, and the MWMA.

SB 989 Sher (Chapter 812) METHYL TERTIARY BUTYL ETHER (MTBE) AND GROUNDWATER CONTAMINATION

SB 989, sponsored by the author, places into statute provisions designed to protect groundwater and drinking water from MTBE contamination. The legislation extends the effective date for the Drinking Water Treatment and Research Fund to January 2010 and provides language that ensures this fund remains fully funded for the investigation, treatment or obtaining alternate drinking water supplies for drinking water sources contaminated by fuel oxygenates such as MTBE. The Department of Health Services also will provide consultation to the State Water Resources Control Board related to clean up of vulnerable groundwater contaminated by oxygenates.

Drinking Water and Environmental Management (continued)

SB 1107 Sher (Chapter 755)
**OPERATOR CERTIFICATION PROGRAM FOR DRINKING WATER
DISTRIBUTION SYSTEMS**

SB 1107, sponsored by the Department of Health Services, revises state law to incorporate new federal requirements for the certification of operators of public water systems that are contained in the federal Safe Drinking Water Act Amendments of 1996. The legislation expands existing certification requirements to include distribution operators, establishes new educational, experience and staffing requirements, and requires that operators take refresher courses to maintain their certification. SB 1107 enables California to retain its maximum level of federal grant funding for improvements to drinking water systems.

Environmental and Occupational Disease Control

AB 1127 Steinberg (Chapter 615)
OCCUPATIONAL SAFETY AND HEALTH

AB 1127, sponsored by the author, makes changes that relate to enforcement of Occupational Safety and Health Act standards. The legislation increases civil and criminal penalties for willful, serious and repeat violations of occupational safety and health standards and revises civil penalty enforcement procedures. The provisions increase the ability of the Department of Health Services to fulfill legislative mandates to provide preventive services to protect California workers from occupational hazards.

SB 493 Figueroa (Chapter 398)
TAX CHECK OFF FOR BIRTH DEFECTS RESEARCH

SB 493, sponsored by the March of Dimes, permits a voluntary tax check off to provide supplemental funding for the California Birth Defects Monitoring Program within the Department of Health Services. The check off only becomes effective when an existing check off is removed from the tax form, or in tax year 2002, whichever comes first. The check off will be removed if it fails to raise a minimum of \$250,000 and will sunset in five years unless extended.

Food, Drug, and Radiation Safety

AB 635 Campbell (Chapter 879)
REFRIGERATION OF EGGS IN RETAIL FOOD FACILITIES

AB 635, sponsored by the Committee to Review CURFFL, removes the sunset date from the existing requirement that retail food facilities refrigerate raw shell eggs at 45 degrees Fahrenheit. In addition, the bill deletes some requirements of existing law related to non-profit, charitable, temporary food facilities and makes technical changes to the requirements for mobile food preparation units and commissaries. Further, the bill removes the sunset date on the requirement for minimum cooking temperatures for ready-to-eat foods.

AB 1238 Agriculture Committee (Chapter 197)
EGG PACKAGING AND REFRIGERATION

AB 1238, sponsored by the Pacific Egg and Poultry Association, exempts eggs packaged for sale outside the United States or in interstate commerce from certain packaging and labeling requirements. In addition, the bill deletes the January 1, 2000, sunset date for mandatory refrigeration of eggs at 45 degrees Fahrenheit or below. Further, the bill requires the Secretary of Agriculture to appoint two alternates to the Shell Egg Advisory Board.

AB 1243 Cardoza (Chapter 609)
AGRICULTURAL PRODUCT MARKETING AND ORGANIC FOOD PRODUCTION

AB 1243, sponsored by the author, makes numerous changes to existing agricultural programs. The bill redefines the membership of the Organic Advisory Board, of which the Department of Health Services (Department) is an ex-officio member. In addition, the bill changes the length of time agricultural land must be free of exposure to prohibited materials before it can be used for organic food production. The bill also allows the Department to adopt administrative lists of materials approved or disapproved for organic food processing. Further, the bill deletes an existing requirement that the Department prepare a legislative report related to organic food processors and instead requires the Department to make an annual report to the Organic Advisory Board.

AB 1258 Strom-Martin (Chapter 180)
AGRICULTURAL HOMESTAYS

AB 1258, sponsored by the California Farm Bureau, adds agricultural homestay establishments to the definition of a restricted food service

Food, Drug and Radiation Safety (continued)

transient occupancy establishment under the California Uniform Retail Food Facilities Law.

AB 1520 Leach (Chapter 920)
BUNK BED SAFETY

AB 1520, sponsored by the California Public Interest Research Group, requires bunk beds manufactured after January 1, 2000, and sold in California to conform to the state-modified American Society of Testing Materials standard F1427-96. Bunk beds manufactured before January 1, 2000, that do not meet this standard must have an attached disclosure statement.

AB 1548 Cardoza (Chapter 915)
FOOD SAFETY INSPECTION PROGRAM

AB 1548, sponsored by the California League of Food Processors, increases registration fees paid by food processors to fund more frequent inspections of food processing facilities by the Department of Health Services (Department). In addition, the bill prohibits local entities, with the exception of four specified entities, from collecting fees and performing inspections. Further, the bill extends the collection of the Food Safety Fee through January 1, 2003, to fund the Department's Food Safety Education and Training Program.

SB 791 Perata (Chapter 288)
WINE SAFETY FUND

SB 791, sponsored by the Wine Institute, eliminates the January 1, 2000, sunset date on the Wine Safety Fund and appropriates the existing money in the fund over five years to continue to test the level of lead in wine sold in California.

SB 816 Escutia (Chapter 749)
DRUG ORDERS FROM PHYSICIAN ASSISTANTS AND NURSE PRACTITIONERS

SB 816, sponsored by the California Academy of Physician Assistants, allows physician assistants and nurse practitioners to furnish or order, as defined, drugs (including controlled substances) and medical devices pursuant to protocols developed in conjunction with the supervising physician. If the physician assistant or nurse practitioner furnishes or orders controlled substances, they must be registered with the U. S. Drug Enforcement Administration.

Food, Drug and Radiation Safety (continued)

SB 847 Vasconcellos (Chapter 750)
MEDICAL MARIJUANA RESEARCH

SB 847, sponsored by the author, establishes within the University of California the California Marijuana Research Program. The program will study the medical safety and efficacy of marijuana to the extent that funding is provided in the annual Budget Act.

SB 979 McPherson (Chapter 290)
OUTDOOR WOOD-BURNING OVENS

SB 979, sponsored by the Seascape Resort, exempts from enclosure wood-burning ovens at food establishments, when the establishment meets provisions of current law relative to open-air barbecue facilities.

Laboratory Science

AB 1557 Migden (Chapter 695)
CERTIFICATION OF PHLEBOTOMISTS

AB 1557, sponsored by the author, requires certification for persons employed by clinical laboratories or public health departments who perform phlebotomy for test purposes. The bill also requires the Department of Health Services (Department) to adopt regulations for the certification of phlebotomists and for approving phlebotomy training programs. The bill specifies the training required for such certification. In addition, the bill authorizes the Department to issue limited certification for the withdrawal of blood by skin puncture only.

AB 1558 Wildman (Chapter 922)
SECURING LABORATORY SPECIMENS

AB 1558, sponsored by the City of Burbank, requires physicians and surgeons to secure biological specimens in a locked container when placed in a public location for pickup. In addition, the bill imposes a fine of up to \$1,000 for violations.

SB 585 Chesbro (Chapter 70)
PROVIDER-PERFORMED MICROSCOPY PROCEDURES

SB 585, sponsored by the California Primary Care Association, allows mid-level practitioners such as registered nurses, nurse midwives, and physician assistants to perform certain microscopy procedures in laboratories that are registered, rather than licensed, by the Department of

Laboratory Science (continued)

Health Services. The bill's provisions conform to the federal regulations for clinical laboratories.

SB 765 Schiff (Chapter 748)
SECURING LABORATORY SPECIMENS

SB 765, sponsored by the City of Burbank, requires all licensed professionals that collect biological specimens to secure those specimens in a locked container when placed in a public location for pickup. The bill also requires employees, agents, and couriers of licensed clinical laboratories to report improperly secured specimens to the Department of Consumer Affairs, using a form to be developed by the Department of Health Services. In addition, the bill imposes a fine of up to \$1,000 for violations.

SB 1304 Environmental Quality Committee (Chapter 372)
NATIONAL ENVIRONMENTAL LABORATORY ACCREDITATION PROGRAM

SB 1304, sponsored by the Department of Health Services (Department), enables the Department to become recognized as an accrediting authority for the National Environmental Laboratory Accreditation Program (NELAP). NELAP provides a set of uniform regulations for environmental laboratories across the nation. NELAP accreditation is reciprocal among participating states, allowing NELAP-accredited laboratories to operate in all participating states without undergoing accreditation in each individual state.

PRIMARY CARE AND FAMILY HEALTH

AB 87 Floyd (Chapter 763)
WIC: ELECTRONIC BENEFITS TRANSFER SYSTEM

AB 87, sponsored by the United Food and Commercial Workers' Union, Region 8, authorizes the Department of Health Services (Department) to implement an electronic payment system for the Women, Infants, and Children (WIC) Supplemental Nutrition Program. The electronic system may only be implemented after the Department completes a feasibility study and funding for the system is provided in the annual Budget Act.

Primary Care and Family Health (continued)

AB 532 Lempert (Chapter 87)
HUMAN MILK BANK

AB 532, sponsored by the Mothers' Milk Bank at Santa Clara Valley Medical Center, reduces liability for nonprofit organizations and their employees for procuring, processing, distributing and using human milk for human consumption. In addition, the bill reduces insurance costs for milk banks, makes it easier for new milk banks to start up in California, and increases the supply of banked human milk to serve more infants with special needs.

AB 1253 Nakano (Chapter 1025)
HEALTH SERVICES PILOT PROGRAM

AB 1253, sponsored by the Venice Family Clinic, requires the Department of Health Services to establish and administer a three-year pilot program to provide health care services to certain uninsured children and adults through the Venice Family Clinic in Los Angeles. In addition, the bill authorizes an evaluation of the pilot program, and the appointment of an advisory group to assist with the pilot program.

AB 1259 Strom-Martin (Chapter 705)
INTEGRATED COMPREHENSIVE SERVICES

AB 1259, sponsored by Humboldt, Mendocino, and Alameda Counties, provides to the sponsors of this bill statutory authority to integrate funding and delivery of county services, without loss of funding due to state or federal reporting requirements. In addition, the Secretary of the Health and Human Services Agency will designate a lead state department to coordinate the state's participation in the county's program. Appropriate state departments will have the authority to waive regulations and assist the counties in seeking necessary federal approvals. The counties will be required to submit an evaluation of the program by January 1, 2004. This authorization sunsets on January 1, 2005.

SB 148 Alpert (Chapter 541)
HEALTH CARE COVERAGE: PHENYLKETONURIA (PKU)

SB 148, sponsored by the author, requires specified health care service plans and disability insurers that provide coverage for hospital, medical, or surgical procedures to provide coverage for the testing and treatment of PKU under the terms and conditions of the plan or policy.

Primary Care and Family Health (continued)

SB 419 Speier (Chapter 682)
MILK AND DAIRY PRODUCTS PRICING

SB 419, sponsored by Consumers Union, would require the Department of Food and Agriculture's (DFA) Division of Marketing Services to conduct a Consumer Milk Price Survey and a public information program for the purpose of reporting the retail price of milk. The measure requires DFA to report to the Legislature concerning the operation of the program, including comments on the program from consumers and the industry, the effect of these provisions on retail milk prices and on consumer awareness of retail milk prices. SB 419 also requires the DFA to design a notice promoting the use of the Consumer Milk Price Survey Program's web site and a toll-free telephone number, and grocers to post that notice, as specified.

SB 584 Chesbro (Chapter 744)
PRIMARY HEALTH CARE SERVICES: RURAL HEALTH

SB 584, sponsored by the California Primary Care Association, requires the Department of Health Services (Department) to provide semi-annual prospective payments to community clinic grantees under the seasonal Agricultural and Migratory Workers program and/or the Rural Health Services Development program. SB 584 requires grantees under these programs to submit, as a condition of receiving semi-annual prospective payments, specified reports on program progress, budget and expenditures, and annual expenditure reconciliation. The measure also appropriates \$1.6 million from the Cigarette and Tobacco Products Surtax Fund to augment the fiscal year 1999-2000 Budget Act appropriation for the Department's Expanded Access to Primary Care program.

SB 1105 Chesbro (Chapter 754)
COMMUNITY CHALLENGE GRANT PROGRAM

SB 1105, sponsored by the Department of Health Services, is an urgency measure that de-links expenditure authority of the Community Challenge Grant (CCG) Program, a teenage and pregnancy prevention program, from the approval of the federal Family PACT waiver. Since the waiver is still pending, this de-linkage ensures that DHS will be able to continue timely and prompt payments to the 134 agencies that have been awarded

Primary Care and Family Health (continued)

grants from the CCG Program. When the waiver is approved, a portion of the savings achieved through the waiver will be used to support the CCG Program.

SB 1240 Burton (Chapter 21)

WIC FOOD VENDOR AUTHORIZATION AND REIMBURSEMENT

SB 1240, sponsored by the author, is an urgency measure that enhances the Women, Infants, and Children (WIC) Supplemental Nutrition Program's ability to authorize, monitor, and reimburse contracting grocers through a system that controls food costs, maximizes participant access, and ensures program integrity.

1999 ENROLLED BILLS

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AB 784	Romero	Sign	993	AI	08
AB 789	Campbell	Veto		MP	54
AB 791	Thomson	Sign	403	LC	12
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Center for Health Statistics	CH
Legislative and Governmental Affairs	CM
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Communicable Disease Control	DC
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SB 1047	Murray	Health Insurance Act of 1999: Report on Consolidation of Public Health Programs	MP
SB 1053	Poochigian	Health Care Coverage: Providers Out-of-Area	MC
SB 1065	Bowen	Public Records Act: Electronic Data	IT
SB 1191	Perata	Sickle Cell Treatment Pilot Project	PC
SB 1235	Polanco	Dental Health Programs	PC
SB 1287	Murray	Occupational Therapist Licensure	MP



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California Assembly:

I am signing AB 27, which requires the California Health and Human Services Agency to prepare a long term care information infrastructure blueprint.

However, I am deleting the \$149,000 General Fund appropriation from the bill and instead directing the Secretary of Health and Human Services Agency to implement the provisions of AB 27 within existing resources.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS





GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Assembly:

I am signing Assembly Bill 394 which would require the State Department of Health Services (DHHS) to adopt regulations establishing minimum nurse-to-patient ratios by licensed nurse classification and by hospital unit for all licensed hospitals.

Registered nurses are a critical component in guaranteeing patient safety and the highest quality health care. Over the past several years many hospitals, in response to managed care reimbursement contracts, have cut costs by reducing their licensed nursing staffs. In some cases, the ratio of licensed nurses to patients has resulted in an erosion in the quality of patient care.

I do not generally support setting rigid formulas into law. However, this bill gives the DHS the flexibility needed to set realistic standards while addressing the problem of adequate nurse-to-patient ratios.

I am also directing DHS to establish minimum staffing standards only for those tasks which are exclusively under a nurse's scope of practice and not for those tasks which can be performed by unlicensed personnel. In addition, I am directing DHS to write the regulations so that the minimum required staffing does not exceed that necessary to comply with other existing standards and the levels necessary to provide quality care. In other words, the minimums should be just that, in order for hospitals to retain reasonable flexibility.

Finally, the author has agreed to my request for subsequent legislation to extend the deadline for the regulations by at least one year. This will provide the necessary lead time for DHS to consult the interested parties and to reach consensus on necessary ratios. The current regulation adoption date of January 1, 2001 cannot be met.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS





GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California Assembly:

I am signing Assembly Bill 784 which enhances my Medi-Cal fraud initiative contained in the 1999-2000 budget. This bill will require certain Medi-Cal providers to provide a bond or other security of not less than \$25,000 which gives the Department of Health Services financial protection against losses due to provider fraud and billing abuses. The bill also provides the department with authority to audit the records of more providers and suppliers to ensure invoices submitted and reimbursed are valid.

At my request, the author has agreed to introduce subsequent legislation to conform the definition of "provider" contained in the bill with the broader definition contained in the Budget Act, thus allowing consistent application of my strengthened anti-fraud efforts to all types of providers.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first letters of "Gray" and "Davis" being prominent.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California Assembly:

I am signing Assembly Bill 1492 which will ensure that four existing demonstration projects continue providing supportive services to individuals who have experienced life-changing head trauma. These services are substantially similar to independent living skills training provided to developmentally disabled adults. This bill would also expand services to these clients.

However, this bill would retroactively impose a cap on revenues that are attributed to the Traumatic Brain Injury (TBI) fund, resulting in a loss to the TBI Fund of \$1.1 million. Therefore, I am requesting subsequent legislation to remove this retroactive imposition of a \$500,000 revenue cap for 1997-98 and 1998-99 and allow the funds to be spent on this worthwhile program.

Sincerely,

Gray Davis

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Senate:

I am signing Senate Bill No. 204 which provides resources for local treatment to control and eradicate the Red Imported Fire Ant (RIFA). However, I am reducing the appropriation by \$7,500,000 leaving \$2 million for these purposes.

I included in my 1999-2000 budget \$8,800,000 for statewide eradication efforts. Additionally, the California Department of Food and Agriculture's multi-year action plan for control and eradication of this pest calls for additional funds in each of the next four budget years. I will review the need for these additional funds during the budget process.

In order to assist local jurisdictions with eradication efforts, I am directing the Secretary of Food and Agriculture to redirect \$4,000,000 from existing statewide funds for local treatment efforts.

Responsibility for eradication efforts must be borne primarily by the areas impacted, and funding for local treatment programs must reflect that responsibility. Therefore, I am directing the Secretary of Food and Agriculture to seek additional funds from both the federal government and local entities for these efforts.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS





GOVERNOR GRAY DAVIS

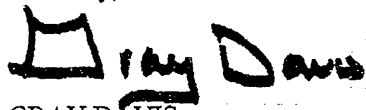
October 10, 1999

To Members of the California State Senate:

I am signing Senate Bill 480 which requires the Secretary of Health and Human Services to convene a group to discuss options for achieving universal health care. This bill mandates no more than that the state discuss the options. The method – finding a table and inviting the stakeholders to sit around it – defines my approach to government which involves hearing all parties and looking for consensus.

The issue of the uninsured is a very difficult one and deserves a careful, measured review.

Sincerely,


GRAY DAVIS



GOVERNOR GRAY DAVIS

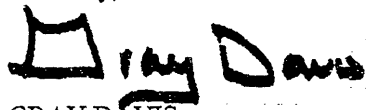
October 10, 1999

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The issue of the uninsured is a very difficult one and deserves a careful, measured review.

Sincerely,


GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Senate:

On this date, I am signing Senate Bill No. 525.

This measure expands the membership of the Child Death Review Council to include specified public and private agencies. The bill requires the Department of Justice and the State Child Death Review Council in conjunction with the Office of Criminal Justice Planning to coordinate local and statewide training for county child review teams. In addition, SB 525 requires the Department of Health Services (DHS) in collaboration with the California State Child Death Review Council to design and implement a statewide child abuse and neglect fatality tracking system.

I am signing SB 525 with the intent that all departments will utilize existing resources to implement these provisions for the purpose of enhancing the ability to gather accurate statewide data on child deaths resulting from abuse and neglect.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 6, 1999

To the Members of the Assembly:

I am returning Assembly Bill 58 without my signature.

AB 58 requires any health care professional making a medical necessity decision for health care services to be licensed in California.

I have already signed Senate Bill 59 which requires an HMO's Medical Director to be licensed in this state. I am concerned, however, that AB 58 will unduly restrict the ability of health plans and insurers to retain the services of out-of-state professionals (for example, physicians from the Mayo Clinic, Johns Hopkins and Sloan-Kettering) who may be needed to make medical necessity decisions.

AB 58 would preclude out-of-state experts from making determinations regarding medical necessity which will, in some cases, inhibit the best input on critical clinical questions. While the bill would allow a California physician to consult with an out-of-state physician, the final decision would have to be made by a California licensee. This effectively prohibits plans from employing top experts to make the decisions in very specialized cases.

Out-of-state expertise provides significant benefits to patients, especially when dealing with rare diseases. While I believe very strongly that physicians should be making medical necessity decisions, the requisite expertise to make these decisions sometimes lies beyond our borders.

I look forward to working with the Legislature to receive an improved version of this bill on my desk next year.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 8, 1999

To the Members of the Assembly:

I am returning Assembly Bill 611 without my signature.

AB 611 would require the Department of Health Services to (1) review the adequacy of prenatal care information available to health care providers through continuing education programs, (2) determine the efficacy of current educational efforts targeting women regarding prenatal nutritional information within certain state programs and (3) report its findings to the Legislature by January 1, 2001.

While the intent of this measure has merit, it is unclear why such a bill is necessary. The department continually updates its prenatal care information to include the most recent information and monitors its programs to remove any barriers to the use of its services. In addition, since continuing education programs used by health care providers are principally the responsibility of professional organizations, I would suggest that funding for a comprehensive evaluation of these programs be supported with private foundation funding.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Assembly:

I am returning Assembly Bill 789 without my signature.

AB 789 would increase the minimum monthly personal and incidental needs allowance for age, blind or disabled Medi-Cal beneficiaries in institutional care.

This bill, while well intentioned, would result in estimated new annual General Fund costs in excess of \$2 million that was not included in the 1999-2000 budget. Any increase in the personal and incidental needs allowance should be considered as part of the annual budget deliberations.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'. The signature is stylized, with the first name 'Gray' and the last name 'Davis' clearly visible.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 6, 1999

To the Members of the Assembly:

I am returning Assembly Bill 805 without my signature.

AB 805 would appropriate \$1.7 million (\$500,000 General Fund) for the Women, Infant, and Children (WIC) Farmers Market Nutrition Program. While I support the provision of nutritional services to vulnerable populations, I vetoed a similar augmentation for this purpose in the 1999-2000 budget because (1) state law shifted authority for this program to the Department of Health Services to enable continuance of this service without General Fund expense and (2) nutritional services (including fresh fruits and vegetables, in some instances) are currently available through other programs such as the WIC Supplemental Nutrition Program, Food Stamps, the California Food Assistance Program, and the Emergency Food Assistance Program. This measure would introduce the use of General Fund resources for a program currently supported by federal funds and vendor fines and penalties.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first name "Gray" written in a cursive-like script and the last name "Davis" in a more formal, blocky script.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 5, 1999

Sacramento, CA

I am returning Assembly Bill No. 851 without my signature.

Existing law requires every school district to ensure that all pupils in grades 7 to 12 receive AIDS prevention instruction, including instruction regarding the human immunodeficiency virus, unless the parent or guardian of the child requests otherwise.

I support requiring HIV/AIDS instruction to be medically accurate and unbiased. I recently signed Assembly Bill 246 (Chapter 234, Statutes of 1999), which requires that all sex education course materials and instruction offered by school districts to be medically accurate and free of racial, ethnic, and gender bias.

However, I believe that Assembly Bill No. 851 is unnecessary. Approximately 870 school districts are currently providing sex education instruction at their discretion. Those districts are required by Education Code Section 51533 to "stress that sexually transmitted diseases are serious possible hazards." Thus, in the vast majority of school districts in the state, this instruction already includes information on sexually transmitted infections. In addition, that instruction is required to be medically accurate and free of racial, ethnic, and gender bias.

For this reason I cannot support Assembly Bill No. 851.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

GRAY DAVIS



GOVERNOR GRAY DAVIS

Sacramento, CA

September 27, 1999

To the Members of the Assembly:

I am returning Assembly Bill No. 985 without my signature.

Assembly Bill No. 985 would specifically authorize schoolwide parent teacher associations or similar organizations to sell food on school sites if all income from the sales benefit schools or student organizations. This bill would prohibit food sales from occurring more than twice per month, and authorize a school district to establish a policy to limit the sale of food if the district determines that the sale would affect the financial viability of the school cafeteria program.

While I support the intent of this bill – to ensure that parent teacher associations are able to sell food to benefit their schools, I believe that the bill is unnecessary. While current state regulations restrict the sale of food by pupil and student organizations, nothing in current law or regulations prohibits the sale of food by parent teacher associations. Local school boards have the authority to set their own policies regarding such food sales, provided that those policies are consistent with state law.

Because this bill would prohibit food sales from occurring more than twice per month, it would place undue restrictions on the ability of parent teacher associations to conduct food sales to benefit schools. Local school boards should retain the right to set their own policies regarding food sales, as provided for under current law.

Sincerely,

Gray Davis

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the Assembly:

I am returning Assembly Bill 1160 without my signature.

This bill would make several changes to nursing-home facility oversight and enforcement: require additional training for direct-care staff in nursing facilities; establish phased increases in staffing ratios to 3.5 hours of direct care per patient per day, subject to the level of appropriation in the annual Budget Act; and require that a new acuity-based reimbursement system be developed and presented to the Legislature by January 1, 2001.

Through the 1999 Budget Act, I have already addressed legitimate nursing home quality-of-care issues. I sustained \$72 million (\$36 million General Fund) to (1) increase Medi-Cal funding for costs to raise the minimum staff-to-patient ratio from 2.9 to 3.2 hours per patient per day, and (2) provide a 5 percent wage increase to nursing-home staff involved in providing direct patient care. I understand from nursing-home operators that even the staffing-ratio increase funded in the 1999 Budget Act will be difficult to achieve, since implementation will entail the hiring of more than 5,000 additional nursing-home staff statewide (about 3,500 for Medi-Cal patients alone) by January 1, 2000.

AB 1160 would delay the effective date of the 3.2 staff-to-patient ratio until April 1, 2000, without any commensurate reduction in the funding provided in the 1999 Budget Act. Over five years, the cost of implementing the provisions of this bill establishing incremental staffing ratio increases to 3.5 hours per patient per day would exceed \$500 million (\$250 million General Fund).

Although AB 1160 contains many well-intentioned, commendable features, it does place a significant burden on the state General Fund. Additionally, I believe it is appropriate to assess the effects on the long-term care system of the staffing increases for which funding is already provided in the 1999 Budget Act prior to enacting any further significant staffing changes. Therefore, I am requesting the Department of Health Services (DHS) to allow additional time for nursing-home facilities statewide to attain the 3.2 staff-to-patient ratio and continue focusing its enforcement efforts on quality of care. However, I expect nursing home facilities to achieve reasonable compliance by April 1, 2000, with funds in the 1999 Budget Act to be expended only for staffing and wage increases that have actually occurred.

For the fiscal reasons stated above, I am unable to sign AB 1160 at this time. I remain committed to working with the Legislature during the annual budget process in pursuing meaningful additional nursing-home reforms that will result in improved quality of care for nursing-home patients.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'. Below the signature, the name 'GRAY DAVIS' is printed in a small, sans-serif font.



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Assembly:

I am returning Assembly Bill 1207 without my signature.

This bill attempts to address important issues concerning the health and safety of children in schools including indoor environmental quality, portable classrooms, and the use of pesticides at school facilities.

While laudable in much of its intent, this legislation contains a serious flaw which precludes me from signing it. My main concern with this bill is the overly prescriptive requirements on the use of pesticides on school sites. Unfortunately the bill is drafted with such broad language that it creates costly requirements for schools that are not reasonable or optimal approaches to pest management.

AB 1207 would, for example, require school districts to notify parents of applications in schools of such commonly used household insecticides as Raid and Combat, or three days before applying insecticides to address pest emergencies such as hornets nests or fire ants on school property. The bill would require schools districts to notify parents of applications of pesticides even during school vacations when children would not normally be present in the school. For example, parents would need to be notified each time a summer baseball league applies weedkiller, such as Round-Up, to delineate lines on a ballfield on school property.

The California Department of Finance indicates that this measure would result in estimated costs of \$2.7 million in 2000-01, \$1.7 million in 2001-02 and \$1.2 million annually thereafter. In addition, this bill would result in reimbursable state-mandated costs estimated in the tens of millions of dollars for school districts to comply with the notification and posting requirements for pesticide use, establishing the least hazardous integrated pest management program, and training to implement the program.

In the 1999-2000 Budget Act, I set aside \$1 million to provide a comprehensive review of air quality in portable classrooms. Additionally, the Department of Health Services (DHS) conducts an Indoor Air Quality Program charged with studying indoor environmental quality and coordinating the state's response to indoor air problems. DHS's Environmental Health Investigation Branch investigates environmental health problems in the state and has consulted with several school districts at their request on recent school environmental health issues, including potential problems in portable classrooms.

Page Two

I continue to believe the issue of air quality in portable classrooms is an important issue that must be addressed to ensure that any unsafe conditions are identified and promptly addressed, and I will support legislation to utilize the funds set aside in the budget toward that end.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first letters of "Gray" and "Davis" being prominent and capital-like.

GRAY DAVIS



GOVERNOR GRAY DAVIS

Los Angeles, CA

September 28, 1999

To the Members of the Assembly:

I am returning Assembly Bill No. 100 without my signature.

Although the measure is well intentioned it is flawed in several important respects:

First, tobacco related illnesses covered by MediCAL are already paid for by the state general fund. There is no need for a restricted fund to cover these costs. In addition, there are two tobacco-related funds which have been created by initiatives, Prop. 99 and Prop. 10. These propositions provide over \$400 million and almost \$700 million respectively for health and education.

Second, during my tenure as California's Lieutenant Governor, I asked the then Attorney General to sue the tobacco industry. After he refused to do so I filed an action pursuant to the California Private Attorney General Statute. Several months later, the Attorney General did file a case and our suits were joined. The causes of action seeking recoupment of health related expenditures by the state were dismissed by the Court. The cases were then settled by the parties.

Therefore, the tobacco lawsuit causes of action from which these monies derive were based on California's Unfair Competition Act (Business and Professions Code Section 17200 Et. Seq.) and the state's false advertising law (Business and Professions Code Sec. 17500 Et. Seq.) and not for reimbursement of health care coverage.

Finally, it is the better policy to maintain flexibility in the use of the tobacco settlement funds for other purposes as well. In the event of unforeseen fiscal emergencies, it is critical for the Administration to have discretionary control of the uses of these monies.

Therefore, while I appreciate the importance of providing sufficient health services to Californians in need of these services, I cannot sign Assembly Bill 100.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the State Assembly:

I am returning Assembly Bill 103 without my signature.

This bill would require the State Department of Health Services to create and implement by January 1, 2001 a method of reporting and tracking HIV test results by unique confidential identifier.

The State Department of Health Services is pursuing a grant from the federal Centers for Disease Control to fully fund the costs of an HIV unique confidential identifier surveillance system. If California receives such funds, I will take steps to immediately implement such a system.

My budget reflects a strong commitment towards preventing the transmission of HIV and in providing effective treatment, including a recent augmentation of \$13.4 million General Fund to expand HIV/AIDS education, prevention and care and treatment services. In addition, the Budget provides \$140.3 million to fully fund anticipated demand for the AIDS Drug Assistance Program. Whether or not California receives federal funding for surveillance, I will ensure that California is directing its own HIV/AIDS efforts in a manner that stresses prevention, counseling and testing and have directed my Director of the State Department of Health Services to report to me by December 1, 1999 on how the state currently targets its education and prevention efforts towards areas and/or populations that may experiencing an increase in HIV infection.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Assembly:

I am returning Assembly Bill 137 without my signature.

AB 137 would establish a pilot program for evaluating the presence of hazardous materials at 100 public schoolsites and requires the State Allocation Board to adopt regulations for the pilot program.

I am fully committed to ensuring that California school children are safe from environmental harm. To this end I have signed SB 162 and AB 387 by Senator Escutia and Assemblyman Wildman. Together these bills require school districts to conduct a comprehensive environmental assessment and any necessary environmental cleanup before receiving funds from the State to do new construction. In signing these bills we are working to ensure that every new public school built in California meets strict environmental standards, protecting California's children from harmful contaminants.

However, AB 137 would fail to help meet this goal in a credible or useful way. I am concerned that this bill would yield very little valuable information for the level of effort required. It is unclear how the evaluation of 100 schoolsites required by AB 137 would be useful on a statewide basis as each of the 8,000 schoolsites are inherently different.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first name "Gray" written in a cursive-like script and the last name "Davis" in a more blocky, capital-letter style.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Assembly:

I am returning Assembly Bill No. 217 without my signature.

This bill would require the Department of Health Services to establish risk-adjusted capitation rates for beneficiaries with HIV based on a specific methodology and require managed care plans to pass-through an appropriate proportional amount of those rates to providers treating Medi-Cal beneficiaries with HIV.

My budget reflects a strong commitment to provide effective HIV/AIDS treatment, including a recent augmentation of \$13.4 million General Fund to expand HIV/AIDS education, prevention and care and treatment services. In addition, the Budget provides \$140.3 million to fully fund anticipated demand for the AIDS Drug Assistance Program. The Department of Health Services has also developed a special Medi-Cal rate for persons with AIDS, allowing treatment in a managed care environment. I have also just signed Assembly Bill 155, which allows disabled persons, including persons with HIV and AIDS to return to work but retain their Medi-Cal coverage.

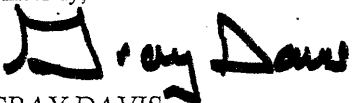
This bill, however, is not necessary, as the need for special rates for HIV-infected Medi-Cal beneficiaries has not been identified. Further, Medi-Cal managed care plan contractors already may request special capitation rates, as in the case of the aforementioned special rates which have been established for AIDS patients. According to DHS, this bill was introduced without any prior request by any managed care plans for HIV-specific capitation rates.

Requiring the proposed rate-setting methodology would limit DHS' ability to negotiate capitation rates with managed care plans, thereby reducing the cost-effectiveness of the Medi-Cal program. Requiring managed care plans to pass-through rate changes to specialty providers is contrary to the concept of managed care because managed care plans are given the flexibility to administer plans within the funding provided through capitation payments made by the State or private payors.

Page 2

Medi-Cal managed care plans are currently required to provide medically necessary services to all plan enrollees. Managed care plans, like Medi-Cal generally, currently provide comprehensive coverage for AIDS, AIDS-related conditions, and HIV-infection.

Sincerely,


GRAY DAVIS



GOVERNOR GRAY DAVIS

October 8, 1999

To the Members of the Assembly:

I am returning Assembly Bill 249 without my signature.

AB 249 would require the California Medical Assistance Commission (CMAC) to consider medical education programs for physicians, nurses or allied health professionals, when it negotiates contracts with California hospitals for Medi-Cal inpatient services.

This bill is not necessary as CMAC is already required to consider medical education costs as they contribute to county hospital and university medical center costs for caring for medically indigent patients, and is already permitted to consider other factors, including medical education costs generally. In addition, this bill is premature because the related study by CMAC, the University of California, and the Department of Health Services required by Chapter 799, Statutes of 1997 on the future funding of graduate medical education and other health professions training programs is expected in November 1999.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis' in a cursive style.
GRAY DAVIS



GOVERNOR GRAY DAVIS

October 8, 1999

To the Members of the Assembly:

I am returning Assembly Bill 437 without my signature.

AB 437 continuously appropriates \$2 million in General Fund dollars for deposit in the Sale of Tobacco to Minors Control Account (STAKE) for increased enforcement efforts.

While the intent of this measure to further reduce youth access to tobacco products has merit, California is currently in compliance with federal law in this regard. In addition, the Budget Act of 1999 provides over \$59 million for anti-tobacco health education, including school-based programs, competitive grants and a strengthened, hard-hitting media campaign aimed at educating California's youngsters about the harmful effects of smoking. It is my preference that any increased funding for the STAKE program be allocated through the annual budget process.

Sincerely,

Gray Davis
GRAY DAVIS



GOVERNOR GRAY DAVIS

Sacramento, CA

September 1, 1999

To Members of the Assembly:

I am returning Assembly Bill No. 461 without my signature.

This bill would reinstate a previously repealed requirement of Health Services (DHS) annually report to the Legislature findings from its review of Medi-Cal- rates of payment to physicians and dentists. This bill is not necessary since the DHS annually surveys reimbursement rates and this information is readily available to the Legislature when requested. In addition, the additional work required by this bill could not be performed by existing departmental staff, yet no provision has been made for additional administrative resources.

Sincerely,


GRAY DAVIS



GOVERNOR GRAY DAVIS

October 6, 1999

To the Members of the Assembly:

I am returning Assembly Bill No. 469 without my signature.

Reducing the number of beneficiaries otherwise eligible to be enrolled in managed care plans would reduce the fiscal viability of plans, which rely on size and economy of scale to manage the care of beneficiaries under a fixed monthly capitation rate for each beneficiary. Also, to the extent capitation payments are less than equivalent fee-for-service costs for beneficiaries shifted away from managed care and into fee-for-service, this bill will reduce General Fund and Federal Fund savings.

Sincerely,


GRAY DAVIS



GOVERNOR GRAY DAVIS

Sacramento, CA

September 27, 1999

To the Members of the Assembly:

I am returning Assembly Bill No. 558 without my signature.

Assembly Bill No. 558 would require the State Department of Education to develop and distribute a curriculum about domestic violence prevention instruction. This bill would also allow, but not require, school districts to provide domestic violence prevention instruction to pupils in grades 1 through 12.

While I am supportive of efforts to reduce domestic violence, I cannot support this bill for the following reasons. Existing law already requires instruction in the principles and practices of individual, family, and community health. In addition, if districts chose to provide such instruction this bill could result in redirections of up to \$7 million away from core academic programs. Any such issues should be addressed through the annual Budget Act. Finally, this bill contains no provision for parents to exempt their children from this instruction if they so choose.

I would support a requirement that the state's health curriculum framework, as adopted by the State Board of Education, include sections on domestic violence. This revision would be included as part of the regular curriculum framework adoption process. Any such legislation should also include a provision allowing for parents to exempt their children from instruction in this area.

Sincerely,

A handwritten signature of Gray Davis, consisting of a stylized 'G' followed by 'ray Davis'.

GRAY DAVIS



GOVERNOR GRAY DAVIS

Los Angeles, CA

September 28, 1999

To the Members of the California Assembly:

I am returning Assembly Bill 604 without my signature.

This bill would require the State Water Resources Control Board (SWRCB), in consultation with other state agencies, to establish a nonpoint source program strategy and implementation plan and performance goals for management measures and submit a progress report to the Legislature on the program.

This bill is unnecessary because the SWRCB currently is working, in cooperation with 22 other state agencies, to comply with federal requirements to establish a comprehensive coastal nonpoint source pollution program, including the development of management measures. The deadlines for developing performance goals in AB 604 are inconsistent with this effort and do not reflect the commitment by appropriate federal, state, local and private interests that is necessary to address the water quality problems caused by nonpoint source pollution.

However, I am signing SB 227 which establishes the statutory framework for California's nonpoint source program and requires the SWRCB to report regularly to the Legislature. Senate Bill 227 better complements existing water quality law and takes into consideration recent negotiations with the federal government.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".
GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

I am returning Assembly Bill 607 without my signature.

This bill would provide that all children in foster care receive specified assessments, requires the Secretary of Health and Human Services to coordinate state agencies in providing services to foster children and requires child welfare service workers to obtain specified health information from children entering the foster care system.

The 1999-2000 Budget already includes \$9.9 million for the Health Care Program for Children in Foster Care which is designed to help children in foster care gain improved access to health-related services. I have also just signed Assembly Bill 543, which requires certain health information to be entered into the foster care case plan. Any additional program changes should be reviewed in the context of the budget process and other program priorities.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California Assembly:

I am returning Assembly Bill No. 1310 without my signature.

This bill requires the Department of Health Services (Department) to establish a trial program under which Medi-Cal Treatment Authorization Requests (TARs) submitted by certified Prosthetists and Orthotists be subject to utilization controls on a preservice sampling basis.

Under current law, prosthetics, which would exceed \$500, and orthotics which exceed \$250, require prior authorization. Any relaxation of utilization controls for Medi-Cal services creates new opportunities for fraud and over-billing the Medi-Cal program. With recent history of fraudulent billing in the area of orthotics, we would anticipate that along with administrative costs associated with the trial program, there would be substantial increases associated with fraud and abuse of billing Medi-Cal.

Proponents of this legislation intended that TARs submitted by certified Prosthetists and Orthotists be expedited resulting in fewer delays in TAR adjudication. While reducing delay is a goal the Department shares, relaxing utilization controls for potentially costly medical devices are not the preferred option. The Department has convened an advisory group that is reviewing the TAR process for prosthetics and orthotics without incurring such additional costs.

Sincerely,

Gray Davis

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 6, 1999

To the Members of the Assembly:

I am returning Assembly Bill No. 1363 without my signature.

AB 1363 establishes guidelines for school-based health centers and allows those which meet required conditions to be included as traditional and safety net providers in the Healthy Families Program (HFP).

While I believe that school-based clinics have a legitimate role in providing health care to children, it is unclear how the placement of voluntary guidelines into statute will assist the formation or continuation of such programs or the integration into managed care networks.

School health centers are deemed traditional and safety net providers for purposes of health plan contracting in the HFP if they also participate in the state's Child Health Disability Prevention program. Health plans may or may not choose to contract with a particular traditional and safety net provider. I will, however, direct the Managed Risk Medical Insurance Board to report to me by December 31, 1999 on any programmatic or health plan contracting barriers to including such school-based health centers in the Healthy Families program.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first name "Gray" and the last name "Davis" clearly visible.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 2, 1999

To the Members of the Senate:

I am returning Senate Bill 75 without my signature because it is overly broad.

However, I have signed Assembly Bill 26, which under specified conditions will allow domestic partners to formalize their relationships through registration with the Secretary of State, allow medical benefits to be extended to domestic partners of state employees, and provide hospital visitation for domestic partners.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first name "Gray" written in a cursive-like script and the last name "Davis" in a more formal, slightly cursive script.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California State Senate:

I am returning Senate Bill No. 156 without my signature.

This bill would amend the California Early Intervention Services Act related to compliance with the federal Individuals with Disabilities Education Act.

I am committed to working with the federal government to respond to a recent compliance report related to California's Early Start program. We will review any new programmatic or resource requirements in the context of the budget process and available federal resources.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first letters of "Gray" and "Davis" being capitalized and prominent.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 9, 1999

To Members of the California State Senate:

I am returning Senate Bill No. 305 without my signature. The primary responsibility of schools is to teach the basics—reading, math, science, English and history/social sciences.

Recent state and national standard tests reveal that California, unfortunately, still is not doing a very good job of meeting its obligations to our children in this regard.

Schools must focus on their primary mission if we are to provide a high-quality basic education to our state's children. Although laudable as a goal, I do not believe the teaching of parenting skills is the appropriate role of schools. Rather, this is a subject that is rightfully the domain of parents, families, faith-based entities and non-profit organizations.

Sincerely,


GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California State Senate:

I am returning Senate Bill No. 613 without my signature.

This bill would require the California Health and Human Services Agency to establish an interagency task force on multicultural health and the Office of Multicultural Health in the Department of Health Services to publish an annual multicultural health report.

While I am very supportive of efforts to improve the health status of all Californians, the Agency and the Department are already required to ensure that strategic planning, coordination and other necessary services are performed for effective service delivery. In addition, the bill does not identify any resources necessary to carry out its requirements.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first name "Gray" and the last name "Davis" clearly visible.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California Senate:

I am returning Senate Bill No. 780 without my signature.

This bill would repeal current statute which exempts the Medi-Cal program from the forfeiture requirements of Civil Code Section 3275, with the consequence that Medi-Cal providers could submit treatment authorization requests (TARs) and claims for payment without regard to reasonable state and federal time limits. This would result in new annual General Fund costs in the tens of millions of dollars, as a result of payment for care which is not medically necessary. This bill could also well result in a significant increase in fraudulent billings.

The Legislature approved a budget in June which contained a provision allowing Medi-Cal's exemption from Civil Code Section 3275. This bill would inappropriately reverse that action.

This bill would allow Medi-Cal providers to receive payment for services for which a TAR was submitted unreasonably late, or never submitted at all, unless DHS could prove the provider's failure to submit a TAR on time was due to gross negligence. Such a standard of proof is not reasonable in the context of this program. The exemption is appropriate and necessary to permit continued efficient operation of the Medi-Cal program.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California State Senate:

I am returning Senate Bill No. 856 without my signature.

This bill would establish two anti-fraud dental projects within the Medi-Cal program and sunset Sacramento County's mandatory dental managed care program on January 1, 2003.

My administration is already cracking down on Medi-Cal fraud through a broad new \$2.1 million dollar anti-fraud initiative contained in the 1999-2000 Budget. This new initiative includes dental anti-fraud activities. If additional resources are necessary for this activity, I will address this issue in the annual budget process.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California State Senate:

I am returning Senate Bill No. 908 without my signature.

This bill would create a new program establishing five Family Friends Projects to match seniors with chronically ill or disabled children.

Despite the potential benefits of this legislation, this new proposed program should be reviewed in the context of the annual budget process and other competing programs.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first letters of each name being capitalized and prominent.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 5, 1999

To the Members of the Senate:

I am returning Senate Bill 971 without my signature.

SB 971 would allow a county milk commission to certify milk, including raw milk, on a statewide basis provided that there is no commission located in the county of production until January 1, 2005. SB 971 would also change composition of the commission to allow dentists to serve in 3 or the 6 positions in lieu of physicians, require that the public member be a consumer of raw milk, and makes county employees or contractors ineligible to serve on the commission except for a single public health physician position.

The provisions of this bill that allow a county milk commission to certify raw milk statewide could jeopardize the public's health because of logistical problems relating to adequate oversight of milk production and sanitation from a distant site. The statewide oversight of public health issues statewide relating to milk production is more appropriately performed by a state agency.

The bill also alters the composition of a commission whose members currently have medical and public health perspective in addressing the human health risks associated with raw milk. I am concerned that the proposed changes could jeopardize its mission to protect the public's health.

The function of the county milk commission is to ensure a safe product and protect the consumers' health. Several elements of this bill are inconsistent with this mission and therefore, I cannot support this legislation.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Senate:

I am returning Senate Bill 993 without my signature.

This bill would require the development of children's health standards and guidelines for schools, require schoolsite response actions to be monitored by an advisory committee and require the Division of the State Architect to revise its design standards for school buildings.

I believe that California's school children should be safe from environmental harm. To this end, I have signed SB 162 and AB 387 by Senator Escutia and Assemblyman Wildman. These bills work together to create a comprehensive environmental assessment process for school construction.

While the efforts of the author are laudable, the current hazardous waste cleanup standards adequately protect children. Also, the bill requires the revision of school design standards in a manner that is unclear and fails to provide adequate funding for this purpose.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California Senate:

I am returning Senate Bill 1013 without my signature.

This bill would require local health agencies to report food facility inspection information on the Internet by July 1, 2002 and requires the Department of Health Services to establish a standardized uniform procedure to report information to the department regarding food facility inspections.

This bill is unnecessary as local health agencies can already collaborate to create a uniform standardized reporting form and procedures and post food facility inspection information on the Internet.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first name "Gray" written in a cursive-like script and the last name "Davis" in a more formal, blocky script.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Senate:

I am returning Senate Bill 1047 without my signature.

SB 1047 would require the California Health and Human Services Agency to develop a report by January 1, 2000 regarding the feasibility of consolidating the Medi-Cal, Healthy Families and the Access for Infants and Mothers programs into a single program and purchasing pool.

I have repeatedly expressed my opposition to converting Healthy Families into an entitlement program. The Healthy Families program has enjoyed great success by allowing lower income families the opportunity to purchase health care for their children with a low cost premium, rather than enrolling them in Medi-Cal without sharing any of the cost.

The consolidation of these programs would inhibit efforts to enroll uninsured children in the Healthy Families program, negatively influence the program's continued success, and create a new entitlement program.

Sincerely,

A handwritten signature of Gray Davis, consisting of a stylized "G" followed by "ray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California State Senate:

I am returning Senate Bill No. 1053 without my signature.

This bill would require a health care service plan to allow a patient to obtain covered services from any participating physician outside of the patient's service area under specified conditions.

I have just signed into law the most comprehensive package of HMO reforms in the nation this year. It provides consumers with new rights and remedies that will assist them in obtaining the care they need. While this bill may have merit, it was not part of my negotiated package of consumer rights and could substantially raise health plan costs and employer premiums.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis". The signature is stylized, with the first name "Gray" and the last name "Davis" clearly visible.

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To the Members of the Senate:

I am returning Senate Bill 1065 without my signature.

This is well-intentioned legislation. However, many of the state's computer systems do not yet have the capacity to implement the provisions of this bill.

As such, this bill does not keep faith with previous legislation I have signed to protect the confidentiality of citizens whose personal information is maintained by state departments including the Employment Development Department, the Department of Motor Vehicles, the Department of Health Services, and the California Highway Patrol.

I believe the State's information technology resources should be directed towards making sure that its computer systems are year 2000 compliant. The author was unwilling to add language which would ensure the completion of this task before the implementation of the provisions of this bill.

Cordially,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the California State Senate:

I am returning Senate Bill No. 1191 without my signature.

This bill would require the Department of Health Services to conduct a pilot project to determine the cost effectiveness of cord blood banking for certain blood disorders.

While this bill has merit, it would appropriate \$250,000 from the Genetic Disease Testing Fund that available resources cannot support. Based on current revenue and expenditure trends, this fee-supported fund is projected to be depleted in the next budget year. Therefore, either existing programs supported by this fund may have to be reduced in order to align expenditures with revenues or new or higher fees would have to be generated. It is more appropriate that this proposed project be reviewed in the context of the annual budget process and available resources.

Sincerely,

A handwritten signature in black ink that reads 'Gray Davis'.

GRAY DAVIS



GOVERNOR GRAY DAVIS

Sacramento, CA

September 27, 1999

To the Members of the Senate:

I am returning Senate Bill 1235 without my signature.

This bill would require the Director of Health Services to appoint a State Dental Director to administer state dental programs and develop recommendations to consolidate, coordinate and streamline oral health programs.

Though the intent of the bill is worthy, the appointment of a state Dental Director is unnecessary, as well as costly. Current law already requires DHS to maintain a dental program administered by a dentist appointed by the Director of the state Department of Health Services. This bill would also result in General Fund administrative costs of \$150,000 in 1999-00 and \$300,000 annually thereafter. Coordination of dental care components of these programs could be achieved through efforts undertaken within the department.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS



GOVERNOR GRAY DAVIS

October 10, 1999

To Members of the Senate:

I am returning Senate Bill 1287 without my signature.

SB 1287 would provide for the licensure of occupational therapists and the certification of occupational therapy assistants, make it a crime to practice occupational therapy or call oneself an occupational therapist or occupational therapy assistant without a license or a certificate, and create the California Board of Occupational Therapy (CBOT) to license and regulate these professions.

This bill authorizes a \$1 million General Fund loan in 2000-01 for the start-up costs of the CBOT. The CBOT is estimated to generate \$1.2 million in revenue annually, and estimated costs to support the CBOT would range from \$900,000 to \$1.5 million annually. Although this bill provides that the loan be repaid with interest over a period of three years, the level of anticipated revenue, in light of estimated program costs, would be insufficient to repay the entire General Fund loan within the three-year loan period.

For the reason stated above, I am unable to sign SB 1287. However, I would consider subsequent legislation providing for the licensure and certification of occupational therapy professions and addressing the start-up costs of the regulatory body in a manner that does not unduly commit General Fund resources beyond the loan repayment period.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS